EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

August 11, 2005

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

> RE: APPLICATION FOR PERMIT TO DRILL CHAPITA WELLS UNIT 1059-14 SW/SE, SEC. 14, T9S, R22E UINTAH COUNTY, UTAH LEASE NO.: U-0282 FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Phone: (435)789-4120 Fax: (435)789-1420

Sincerely,

Agent

EOG Resources, Inc.

Attachments

RECEIVED
AUG 1 5 2005

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5	Lease	Serial	No
٥.	Lease	Scriat	INO

If Indian, Allottee or Tribe Name

APPLICATION FOR PERM	MIT TO DRILL OR REENTH	ER		
la. Type of Work: X DRILL	☐ REENTER	I	_	ement, Name and No.
1b. Type of Well: Oil Well X Gas Well Ott	ner Single Zone X Multiple Zone	ŀ	ease Name and V	Veil No. LLS UNIT 1059-14
2. Name of Operator	• 1/8/da.d.d	9. A	PI Well No.	**************************************
EOG RESOURCES, INC.			43-04	7-36967
3a. Address P.O. BOX 1815 VERNAL, UT 84078	3b. Phone No. (Include area code) (435)789-0790		d and Pool, or Ex	ploratory
At surface 679° FSL, 1945° FEL 47. At proposed prod. Zone	ance with any State requirements.*) 36176 X	11. Sec.	T., R., M., or F C. 14, T98 S.L.B.&N	
14. Distance in miles and direction from nearest town or pos 18.1 MILES SOUTHEAST OF OU		1	nty or Parish	13. State UTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease 2440	17. Spacing	Unit dedicated to	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth 9515	20. BLM/BIA Bond No. on file NM-2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4923.8 FEET GRADED GROUND	22. Approximate date work will start* UPON APPROVAL 24. Attachments		23. Esti mated 45 DA	
Attachments The following, completed in accordance with the require 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National For SUPO shall be filed with the appropriate Forest Serve	ements of Onshore Oil and Gas Order No. 1, s 4. Bond to cover the (see Item 20 ab	operations unle ove). ion. cific information	ss covered by an	-
25. Signature	Name (Printed/Typed) Ed Trotter		1 	Date August 11, 2005
Title Agent			•	
Approved by (Signature)	NamBRADLEY G. HILL ENVIRONMENTAL SCIENTIST	111	Date (76-17	RECEIVED
Title	Office		<u> </u>	AUG 1 5 2005
Application approval does not warrant or certify that the application of the conduct operations thereon.	; cant holds legal or equitable title to those right	s in the subject l	ease which walk	d Olimination Septembries

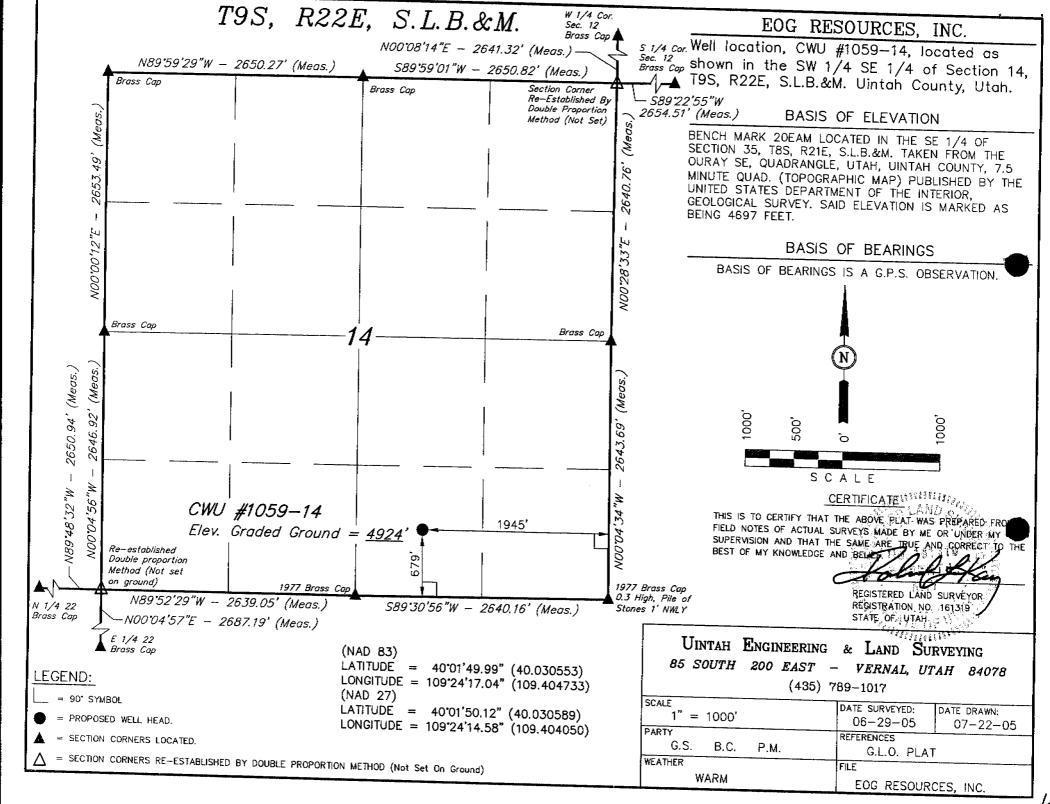
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

*(Instructions on page 2)

*(Instructions on page 2)



EIGHT POINT PLAN CHAPITA WELLS UNIT 1059-14 SW/SE, SEC. 14, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,804'
Wasatch	4,810'
North Horn	6,757'
Island	7,116'
KMV Price River	7,387'
KMV Price River Middle	8,077
KMV Price River Lower	8,885'
Sego	9,315'

Estimated TD: 9,515' or 200'± below Sego top

Anticipated BHP: 5,195 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

4. CASING PROGRAM:

							<u>KAT</u>	ING FACTOR	
HOLE SIZE	INTERVAL	LENGTH	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	THREAD	COLLAP	SE BURST TENSILE	
12-1/4"	0' - 2,300'KB±	2,300'±	9-3/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi 394,000#	
7-7/8"	$2,300' \pm - TD$	$9,515 \pm$	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi 223,000#	

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN CHAPITA WELLS UNIT 1059-14 SW/SE, SEC. 14, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3 ½ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

EIGHT POINT PLAN CHAPITA WELLS UNIT 1059-14 SW/SE, SEC. 14, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead:

135 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65

(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19

gps water.

Tail:

905 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

Number of sacks is based on gauged hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail

volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

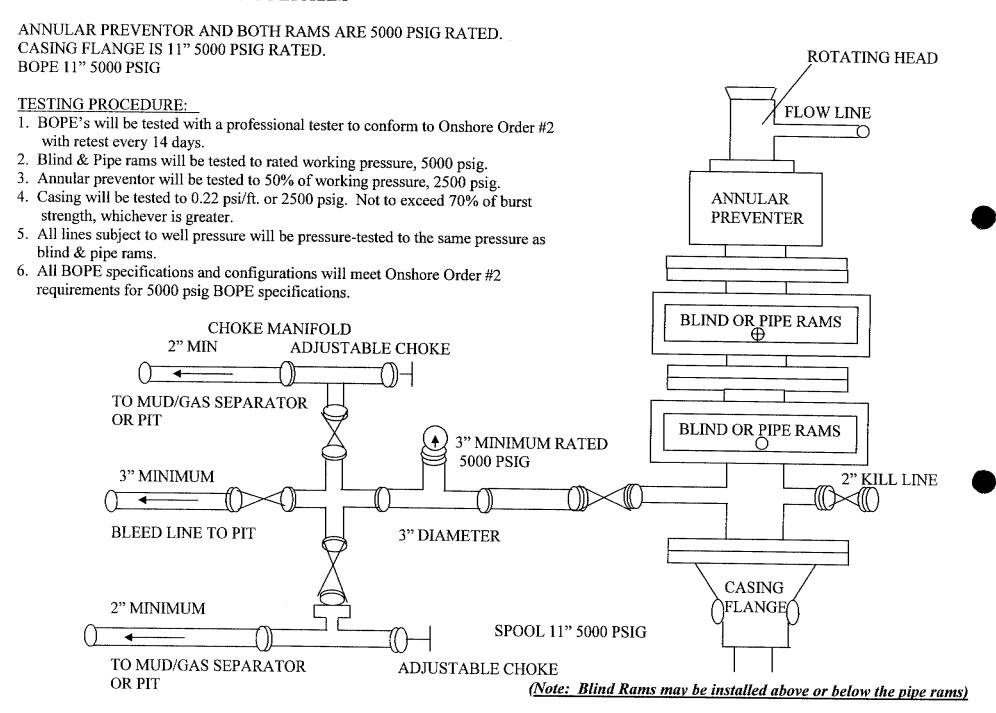
- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM



CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator:

EOG Resources, Inc.

Well Name & Number: Chapita Wells Unit 1059-14

Lease Number:

U-0282

Location:

679° FL & 1945° FEL, SW/SE, Sec. 14,

T9S, R22E, S.L.B.&M., Uintah County, Utah

Surface Ownership:

Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice:

- at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing

- twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running

casing and tests.

First Production

Notice

- within five (5) business days after new

Well begins or production resumes after Well has been off production for more

than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 18.1 miles southeast of Ouray, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. An existing access road will be utilized to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION</u>

- A. Abandoned wells 4*
- B. Producing wells 52*
- C. Shut in wells 4*

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be

disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location upon abandonment is:

Four-Wing Salt Bush – 3 pounds per acre Indian Rice Grass – 2 pounds per acre Needle and Thread Grass – 2 pounds per acre Hi-Crest Crested Wheat Grass – 1 pound per acre.

The interim seed mixture for this location is Hi-Crest Crested Wheat Grass – 12 pounds per acre

The reserve pit will be located on the West side of the location. The flare pit will be located downwind of the prevailing wind direction on the Northwest side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil North of Corner #5. The stockpiled location topsoil will be stored between Corners #6 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the East.

Corners #2 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. <u>DRY HOLE/ABANDONED LOCATION</u>

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal Location: Federal

12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used.
 - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds

along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

The interim seed mixture for this location is Hi-Crest Crested Wheat Grass-12 pounds per acre. Following completion of construction, the topsoil will be spread and seeded.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter P.O. Box 1910 Vernal, UT 84078

Telephone: (435)789-4120

Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc.

P.O. Box 250

Big Piney, WY 83113

Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1059-14 Well, located in the SW/SE of Section 14, T9S, R22E, Uintah County, Utah; Lease #U-0282; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

Date

8-11-2005

Agent

EOG RESOURCES, INC.

CWU #1059-14 SECTION 14, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES THE JUNCTION OF THIS ROAD AND AN EXISTING TO THE SOUTHEAST; TURN RIGHT AND PROCEED SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND IN $\mathbf{A}\mathbf{N}$ EASTERLY. **THEN** SOUTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE CWU #350-14N AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.1 MILES.

EOG RESOURCES, INC. CWU #1059-14

CWU #1059-14 LOCATED IN UINTAH COUNTY, UTAH SECTION 14, T9S, R22E, S.L.B.&M.

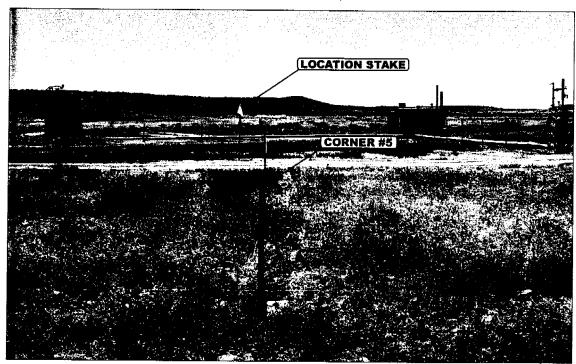


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM EXISTING ACCESS

CAMERA ANGLE: WESTERLY



Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

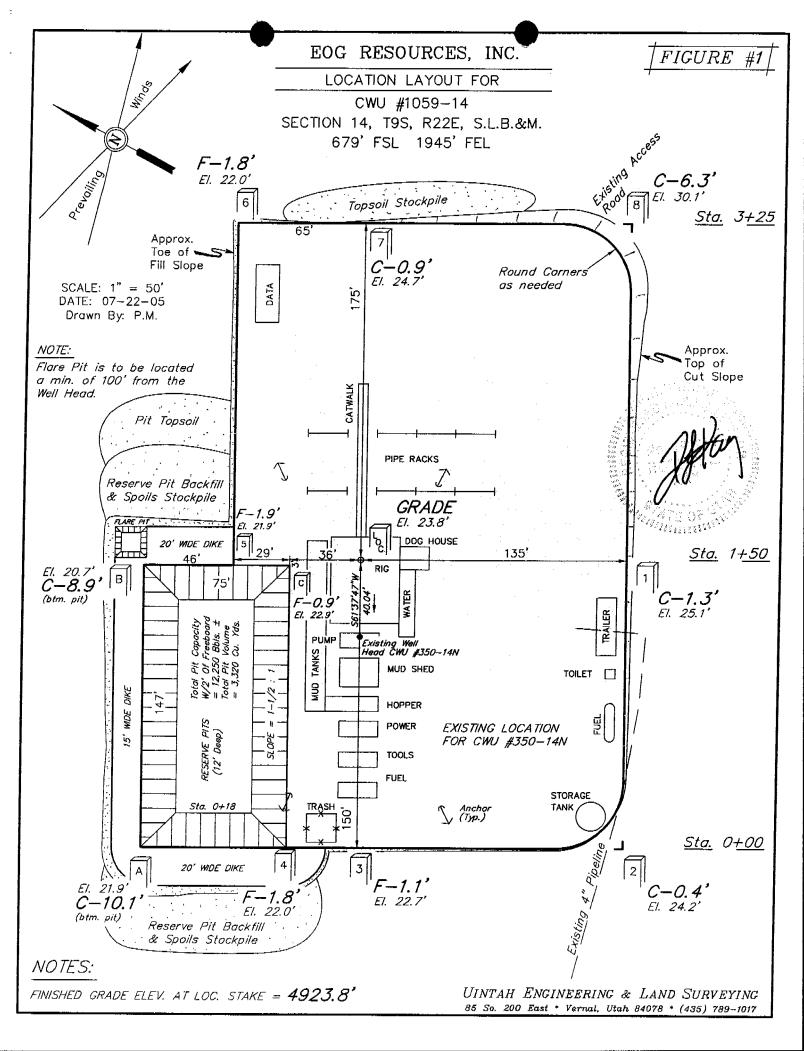
LOCATION PHOTOS

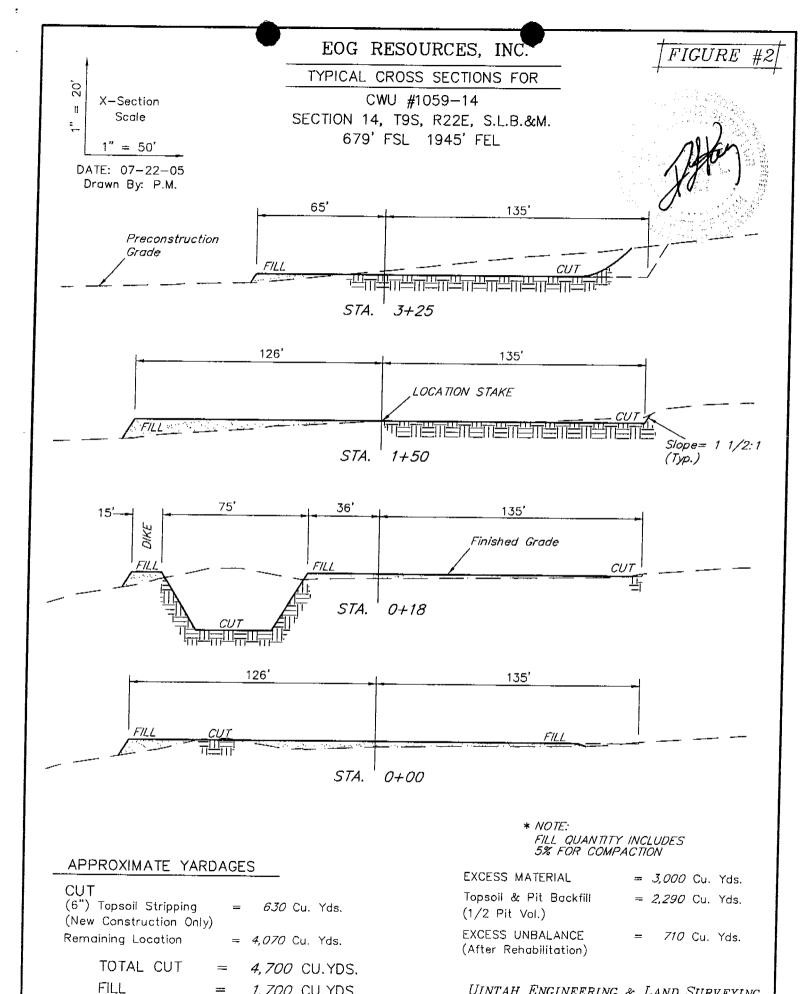
TAKEN BY: G.S.

PHOTOS O7 14 05
MONTH DAY YEAR

DRAWN BY: S.L. | REVISED: 00-00-00

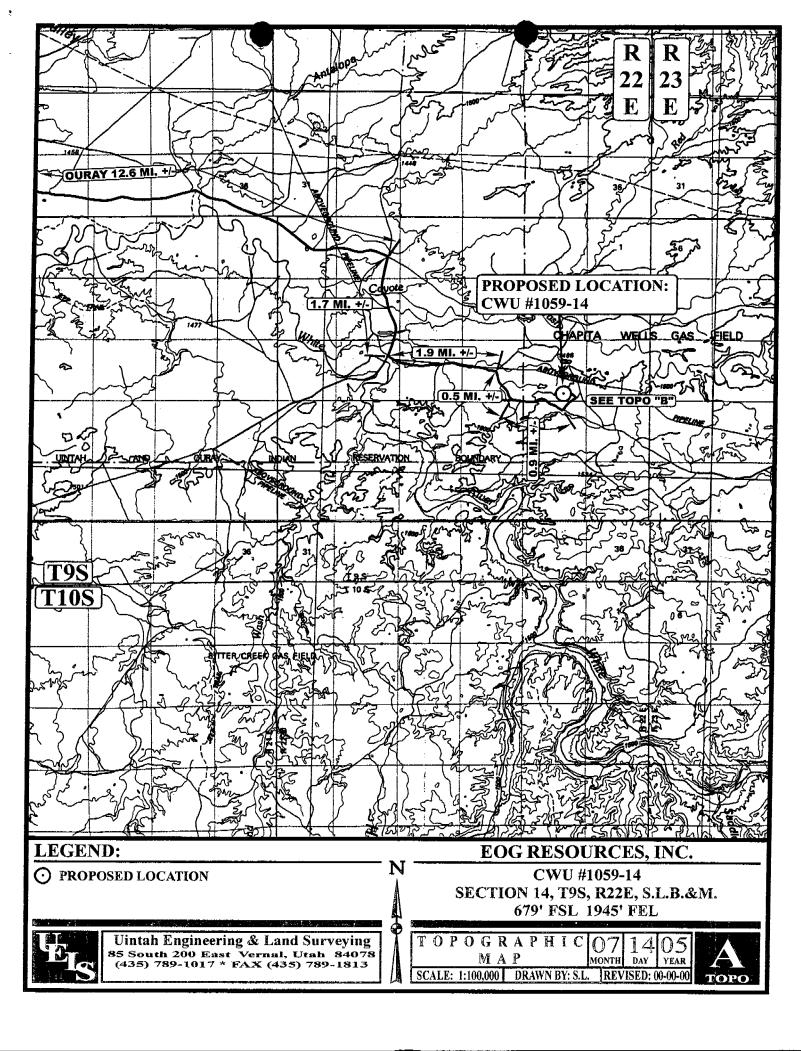
РНОТО

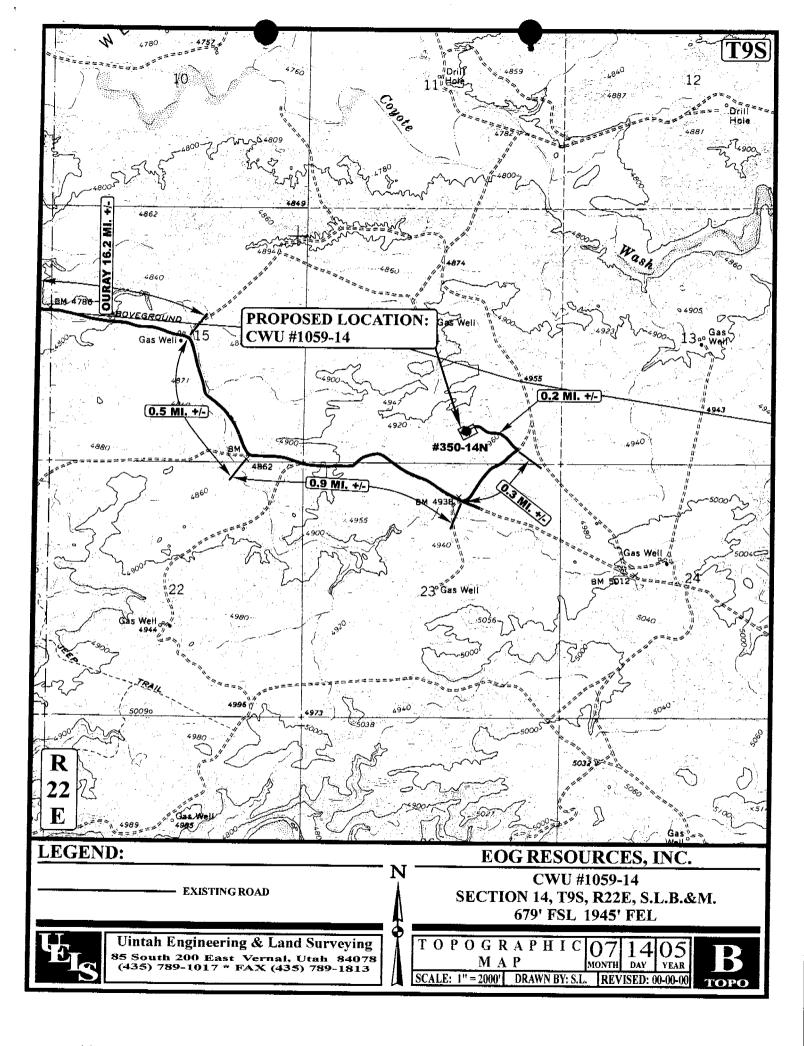


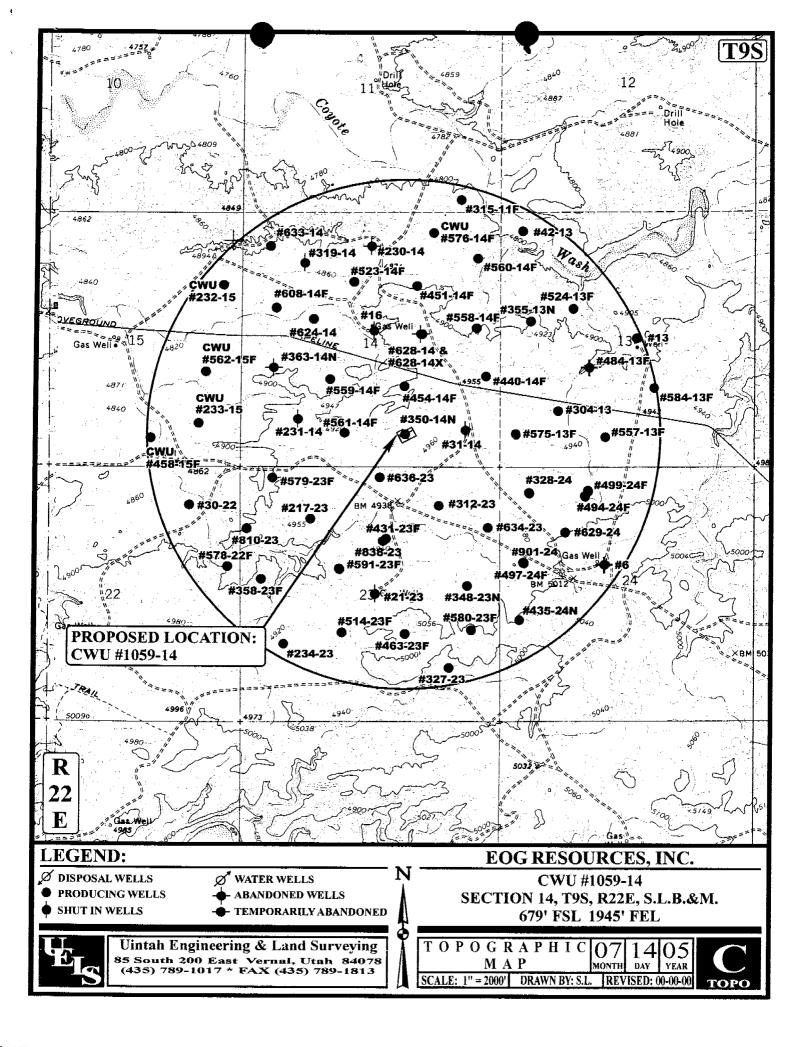


1,700 CU.YDS.

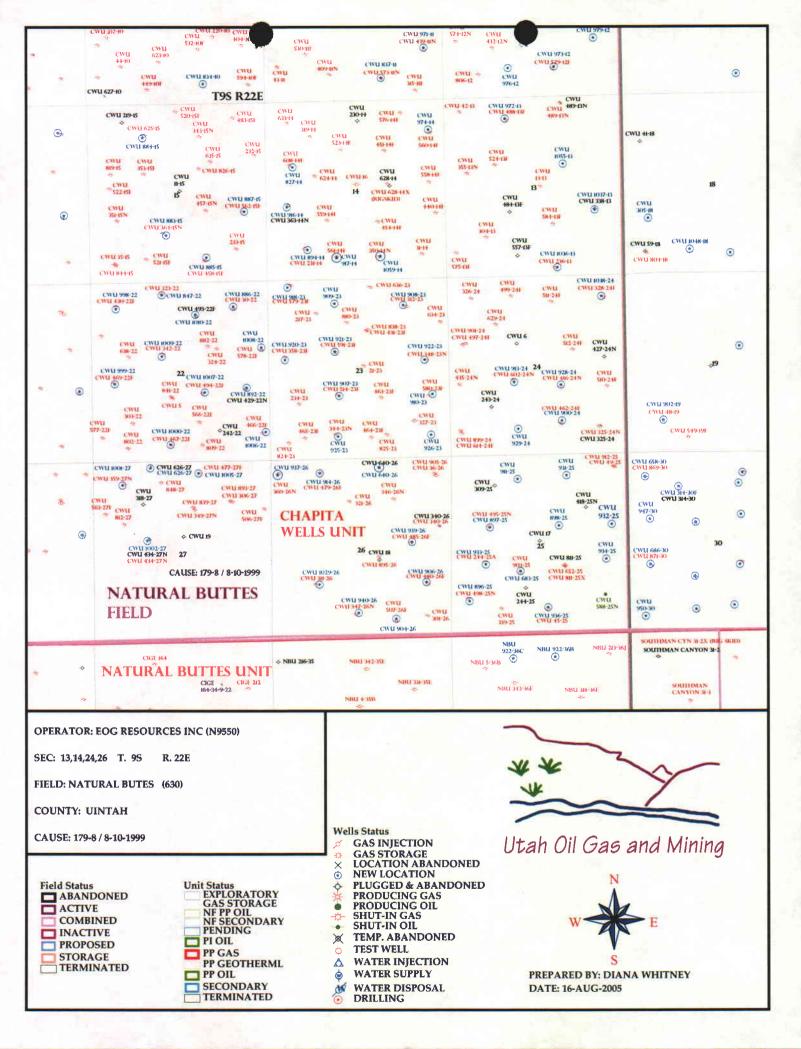
UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017







APD RECEIVED: 08/15/2005	API NO. ASSIGNED: 43-047-36967
WELL NAME: CWU 1059-14 OPERATOR: EOG RESOURCES INC (N9550) CONTACT: ED TROTTER PROPOSED LOCATION: SWSE 14 090S 220E SURFACE: 0679 FSL 1945 FEL BOTTOM: 0679 FSL 1945 FEL UINTAH UNDESIGNATED (2) LEASE TYPE: 1 - Federal	
LEASE NUMBER: U-0282 SURFACE OWNER: 1 - Federal PROPOSED FORMATION: PRRV COALBED METHANE WELL? NO	LATITUDE: 40.03067 LONGITUDE: -109.4041
Plat Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM-2308) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-1501) RDCC Review (Y/N) (Date:) NA Fee Surf Agreement (Y/N) ALA Intent to Commingle (Y/N)	LOCATION AND SITING: R649-2-3. Unit CHAPITA WELLS R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: 179-8 Eff Date: Q-10-1999 Siting: Suspends Series Sting R649-3-11. Directional Drill
STIPULATIONS: 1- SHALE	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

August 17, 2005

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2005 Plan of Development Chapita Wells Unit Uintah

County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Price River)

43-047-36952 CWU 1055-13 Sec 13 T09S R22E 2022 FNL 1755 FEL 43-047-36953 CWU 1036-13 Sec 13 T09S R22E 0250 FSL 1960 FEL 43-047-36954 CWU 1037-13 Sec 13 T09S R22E 1933 FSL 0829 FEL 43-047-36966 CWU 917-14 Sec 14 T09S R22E 0654 FSL 2069 FWL 43-047-36967 CWU 1059-14 Sec 14 T09S R22E 0679 FSL 1945 FEL 43-047-36956 CWU 1038-24 Sec 24 T09S R22E 0627 FNL 0678 FEL 43-047-36968 CWU 640-26 Sec 26 T09S R22E 0275 FNL 2121 FEL 43-047-36969 CWU 937-26 Sec 26 T09S R22E 0426 FNL 0189 FWL 43-047-36949 CWU 1066-3 Sec 3 T09S R22E 1715 FNL 0825 FWL 43-047-36950 CWU 1065-3 Sec 3 T09S R22E 0687 FNL 0492 FEL 43-047-36951 CWU 1067-3 Sec 3 T09S R22E 2185 FNL 2120 FEL 43-047-36964 CWU 986-10 Sec 10 T09S R22E 1772 FSL 0353 FWL 43-047-36965 CWU 987-10 Sec 10 T09S R22E 0429 FSL 1831 FWL 43-047-36973 CWU 1024-10 Sec 10 T09S R22E 0613 FNL 0693 FWL 43-047-36974 CWU 991-15 Sec 15 T09S R22E 0675 FSL 1760 FWL 43-047-36975 CWU 990-15 Sec 15 T09S R22E 1822 FSL 0815 FWL 43-047-36976 CWU 989-15 Sec 15 T09S R22E 2037 FNL 1659 FWL 43-047-36978 CWU 1035-19 Sec 19 T09S R23E 2108 FNL 0530 FWL 43-047-36979 CWU 1034-19 Sec 19 T09S R23E 0853 FNL 2018 FWL

Page 2

43-047-36957 CWU 1068-28 Sec 28 T09S R23E 1783 FSL 1988 FWL 43-047-36958 CWU 688-30 Sec 30 T09S R23E 1671 FNL 0637 FEL 43-047-36959 CWU 687-30 Sec 30 T09S R23E 0569 FSL 0764 FEL 43-047-36960 CWU 686-30 Sec 30 T09S R23E 2007 FSL 0635 FWL 43-047-36971 CWU 955-32 Sec 32 T09S R23E 2179 FNL 0657 FEL 43-047-36961 CWU 1069-33 Sec 33 T09S R23E 0544 FNL 2180 FEL 43-047-36972 CWU 961-33 Sec 33 T09S R23E 2149 FSL 0712 FWL 43-047-36970 CWU 680-6 Sec 6 T09S R23E 0461 FSL 0790 FEL 43-047-36977 CWU 1039-18 Sec 18 T09S R23E 1824 FSL 2154 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-17-05



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 17, 2005

EOG Resources Inc. P O Box 1815 Vernal, UT 84078

Re:

Chapita Wells Unit 1059-14 Well, 679' FSL, 1945' FEL, SW SE,

Sec. 14, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36967.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	EOG Resources	Inc.		
Well Name & Number	Chapita Wells Unit 1059-14			
API Number:	43-047-36967			
Lease:	U-0282	- W.A.	71-71-71-71-71-71-71-71-71-71-71-71-71-7	
Location: <u>SW SE</u>	Sec. 14	T. 9 South	R. <u>22 East</u>	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Form 3160-3 FORM APPROVED (April 2004) OMB No. 1004-0137 Expires March 31, 2007 UNITED STATES AUG 1 2 2005 DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT U-0282 If Indian, Allottee or Tribe Name ON FOR PERMIT TO DRILL OR REENTER If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT X DRILL REENTER 1a. Type of Work: Lease Name and Well No. 1b. Type of Well: Oil Well X Gas Well Other Single Zone X Multiple Zone CHAPITA WELLS UNIT 1059-14 2. Name of Operator EOG RESOURCES, INC. 3a. Address P.O. BOX 1815 Field and Pool, or Exploratory 3b. Phone No. (Include area code) (435)789-0790 NATURAL BUTTES VERNAL, UT 84078 11. Sec., T., R., M., or Blk. and Survey or Area 4. Location of Well (Report location clearly and in accordance with any State requirements.*) SEC. 14, T9S, R22E, 679' FSL, 1945' FEL SW/SE At surface S.L.B.&M. At proposed prod. Zone 13. State 12. County or Parish 14. Distance in miles and direction from nearest town or post office* 18.1 MILES SOUTHEAST OF OURAY, UTAH UINTAH UTAH 17. Spacing Unit dedicated to this well 15. Distance from proposed* 16. No. of Acres in lease location to nearest 679 property or lease line, ft. 2440 (Also to nearest drig. Unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. on file to nearest well, drilling, completed, NM-2308 9515 applied for, on this lease, ft. See Topo Map C 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Esti mated duration 4923.8 FEET GRADED GROUND UPON APPROVAL 45 DAYS 24, Attachments Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form: 4. Bond to cover the operations unless covered by an existing bond on file 1. Well plat certified by a registered surveyor. (see Item 20 above). 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be required SUPO shall be filed with the appropriate Forest Service Office). by the authorized officer. Name (Printed/Typed) 25. Signature Ed Trotter August 11, 2005 Title Agent JAN 2 5 2006 Date Name (Printed/Typed) Office Mineral Rescurds Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of Approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT **VERNAL FIELD OFFICE** 170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources Inc

Location:

SWSE Sec 14, T9S, R22E

Well No:

CWU 1059-14

Lease No:

UTU-0282

Petroleum Engineer: Matt Baker Petroleum Engineer: Michael Lee Office: 435-781-4490

Cell: 435-828-4470

Supervisory Petroleum Technician: Jamie Sparger

Office: 435-781-4432 Office: 435-781-4502 Cell: 435-828-7875 Cell: 435-828-3913

BLM FAX Machine

(435) 781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval.. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

FIELD REPRESENTATIVE TO INSURE COMPLIANCE

Downhole Conditions of Approval

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- 1. Top of cement for the production casing shall be at a minimum of 2100'
- 2. Surface casing shoe integrity test shall be performed.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator. lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least

24 hours in advance of casing cementing operations and BOPE & casing pressure tests.

4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

- 5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- 6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
- 7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the

Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- 8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.
- 9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
 - All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

- f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- g. Unit agreement and / or participating area name and number, if applicable.
- h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Company/Operator: <u>EOG Resources Inc.</u>

API Number <u>43-047-36967</u>

Well Name & Number: CWU 1059-14

Lease number: UTU-0282

Location: SWSE Sec, 14 T.9S. R. 22E.

Surface Ownership: BLM

Date NOS Received: 8/9/05

Date APD Received: 8/12/05

Conditions for Approval are in the APD

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

The pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. The operator may request in writing an exception to this COA. Exceptions to this COA may include but are not limited to: laterally extensive, hard indurated bedrock, such as sandstone, which is at or within 2 feet of the surface; and, soil types with a poor history for successful rehabilitation. The exception request will be reviewed by the authorized officer (AO) and a determination made.

Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company:	EOG RESOURCES INC	<u> </u>
Well Name:	CWU 1059-14	
Api No: 43-047-3	Lease Type: FEDERAL	
Section 14 Township	09S Range 22E County UINTAH	
Drilling Contractor	ROCKY MOUNTAIN DRLG RIG # 1	
SPUDDED:		
Date	06/27/06	
Time	7:00 PM	
How	DRY	
Drilling will Comme	ence:	
Reported by	JERRY	
Telephone #	(435) 528-1720	
Date 06/28/2006	Signed CHD	

STATE OF UTAH **DEPARTMENT OF NATURAL RESOURCES** DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG Resources, Inc.

Operator Account Number: N 9550

Address:

600 17th St., Suite 1000N

city Denver

state CO zip 80202 Phone Number: (303) 824-5526

Weil 1

API Number	Well	QQ	Sec	Twp	Rng	County	
43-047-35527	Chapita Wells Unit 90	NENW	23 9S		22E Uintah		
Action Code	Current Entity Number	New Entity Number	Spud Date 6/27/2006			Entity Assignme Effective Date	
A	99999	13650				6/29/06	

Wall 2

API Number	Well	QQ	Sec	Twp	Rng	County			
43-047-36967	Chapita Wells Unit 10	SWSE	14	98	22E	Uintah			
Action Code	Current Entity Number	New Entity Number	Spud Date			e Entity Assig			
A	99999	13650	6/27/2006			6/29/06			

Well 3

API Number	Well	QQ Sec Twp			Rng County			
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date		
Comments:								

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity E - Other (Explain in 'comments' section) RECEIVED

JUN 2 9 2006

Operations Clerk Title

Signature

Mary A. Maestas

Name (Please Print)

6/29/2006

Date

(5/2000)

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

SUNDRY Do not use th abandoned we	U-0282 6. If Indian	, Allottee or Tribe Name			
SUBMIT IN TR	IPLICATE- Other insti	ructions on rever	se side.		CA/Agreement, Name and/or No.
1. Type of Well Oil Well	Gas Well Other			8. Well Nar	a Wells Unit
2. Name of Operator EOG Resor	urces. Inc.				a Wells Unit 1059-14
3a. Address 600 17th Street, Suite 1000N, I	Denver CO 80207	3b. Phone No. (include 303-824-5526	area code)	9. API We	-36967
4. Location of Well (Footage, Sec.,		V00-1124-3020		~~~	d Pool, or Exploratory Area I Buttes/Mesaverde
679' FSL & 1945' FEL (SWSF Sec. 14-T9S-R22E 40.030589					or Parish, State County, UT
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE,	REPORT, OF	OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
Notice of Intent ✓ Subsequent Report ☐ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (S Reclamation Recomplete Temporarily A Water Disposa	bandon	Water Shut-Off Well Integrity ✓ Other Well spud
If the proposal is to deepen din Attach the Bond under which t following completion of the in-	ectionally or recomplete horizontal he work will be performed or prov volved operations. If the operation nal Abandonment Notices must be y for final inspection.)	ly, give subsurface location ide the Bond No. on file was results in a multiple comp	ns and measured and to with BLM/BIA. Requiletion or recompletion	rue vertical depth red subsequent r in a new interva	ork and approximate duration thereof. is of all pertinent markers and zones, eports must be filed within 30 days II, a Form 3160-4 must be filed once an completed, and the operator has

14. 1 hereby certify that the foregoing is true and correct Name (Printed/Typed)	 					
Mary A. Maestas		Title Operations Clerk				
Signature Mary a. Manyar	Date	06/29/2	2006			
THIS SPACE FOR FEDERAL	ORS	TATE OFFICE USI				
Approved by		Title	Date			
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lear which would entitle the applicant to conduct operations thereon.		Office				
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false, fictitious or fraudulent statements or representations as to any matter	person k within i	nowingly and willfully to mak ts jurisdiction.	te to any department or agency of the United			

(Instructions on page 2)

RECEIVED

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2003

Lease Serial No.

SUNDRY Do not use th abandoned we	U-0282 6. If Indian, Allottee or Tribe Name			
<u> </u>	PLICATE- Other instr	ructions on reverse side.	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit	
. Type of Well Oil Well	8. Well Name and No. Chapita Wells Unit 1059-14			
a. Address 600 17th Street, Suite 1000N, D	9. API Well No. 43-047-36967 10. Field and Pool, or Exploratory Area			
 Location of Well (Footage, Sec., 679' FSL & 1945' FEL (SWSE Sec. 14-T9S-R22E 40.030589) 	E)		Natural Buttes/Mesaverde 11. County or Parish, State Uintah County, UT	
12. CHECK AI	PROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTICE,	REPORT, OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
Notice of Intent✓ Subsequent Report☐ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen		
If the proposal is to deepen dire Attach the Bond under which the following completion of the inv	ectionally or recomplete horizontall the work will be performed or prov- volved operations. If the operation that Abandonment Notices must be	lly, give subsurface locations and measured and ride the Bond No. on file with BLM/BIA. Requiresults in a multiple completion or recompletion	f any proposed work and approximate duration thereof, true vertical depths of all pertinent markers and zones, uired subsequent reports must be filed within 30 days on in a new interval, a Form 3160-4 must be filed once arnation, have been completed, and the operator has	
EOG Resources, Inc. requ	ests authorization for disposa	al of produced water from the referenced	well to any of the following locations.	
Natural Buttes Unit 21- Chapita Wells Unit 550 Ace Disposal RN Industries	· · -	Accepted Utah Divi Oil, Gas an	SION OI	

FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)			
Mary A. Maestas	Title	Operations Clerk	
Signature Mary a. Marton	Date	06/29/2006	
THIS SPACE FOR FEDERAL	OR	STATE OFFICE USE	
Approved by		Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject least which would entitle the applicant to conduct operations thereon.		Office	
Title 18 U.S.C. Section 1001 and Tide 43 U.S.C. Section 1212, make it a crime for any p States any false, fictitious or fraudulent statements or representations as to any matter	oerson within	knowingly and willfully to make to a its jurisdiction.	nny department or agency of the United

(Instructions on page 2)

JUL 0 3 2006

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR

ON.	ORM APPROVED MB No. 1004-0137 pires: March 31, 2007
5. Lease Serial No).
11 0202	

	NOTICES AND REI		118	5. Lease Serial 1 U-0282	No.		
Do not use th abandoned we	6. If Indian, A	6. If Indian, Allottee or Tribe Name					
SUBMIT IN TRI	SUBMIT IN TRIPLICATE- Other instructions on reverse side.						
1. Type of Well Oil Well ✓	8. Well Name						
2. Name of Operator EOG Resou	rces, Inc.			9. API Well	Wells Unit 1059-14 No.		
3a Address		3b. Phone No. (includ	le area code)	43-047-3	6967		
600 17th Street, Suite 1000N, D		303-824-5526			Pool, or Exploratory Area Buttes/Mesaverde		
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)				Parish, State		
679' FSL & 1945' FEL (SWSE Sec. 14-T9S-R22E 40.030553 I	C) LAT 109.404733 LON				County, Utah		
12. CHECK AI	PROPRIATE BOX(ES) TO	INDICATE NATU	RE OF NOTICE,	REPORT, OR	OTHER DATA		
TYPE OF SUBMISSION		TY	TE OF ACTION				
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume)	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair	New Construction	· ·		Other		
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily				
	Convert to Injection	Plug Back	Water Dispos		k and approximate duration thereof.		
determined that the site is read	urned to sales on 10/5/06. Plo				ng and completion operations		
14. I hereby certify that the for Name (Printed/Typed) Mary A. Maest		Title	Regulatory Assista	nt			
	0 7/1 1		10.1	10.			
Signature Waru	U. Mayor	Date	10/16	100			
	THIS SPACE FOR	R FEDERAL OR	STATE OFFIC	E USE			
A			Title	1	Date		
Approved by Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applicant	al or equitable title to those right to conduct operations thereon.	s in the subject lease	Office				
Title 18 11 S.C. Section 1001 and T	itle 43 U.S.C. Section 1212, make	it a crime for any persor	knowingly and willf	ully to make to an	y department or agency of the United		

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED OCT 1 9 2006

WELL CHRONOLOGY REPORT

Report Generated On: 10-12-2006

Well Name	CWU 1059-14	Well Type	DEVG	Division	DENVER					
Field	CHAPITA WELLS DEEP	API#	43-047-36967	Well Class	1SA					
County, State	UINTAH, UT	Spud Date	08-08-2006	Class Date	10-05-2006					
Tax Credit	N	TVD / MD	9,515/ 9,515	Property #	057275					
Water Depth	0	Last CSG	4.5	Shoe TVD / MD	9,571/9,571					
KB / GL Elev	4,944/ 4,924									
Location	Section 14, T9S, R22E, SWS	Section 14, T9S, R22E, SWSE, 679 FSL & 1945 FEL								

DRILL & COMPLETE

Operator	EOG I	RESOURC	ES, INC	WI %	50.	0		NRI %		43.5	
AFE No	3	03488		AFE Total		1,743,900		DHC / C	CWC	818,70	00/ 925,200
Rig Contr	BASIC		Rig Name	BASIC	#30	Start Date	08-	-18-2005	Release 1	Date	08-26-2006
08-18-2005	Repo	orted By	ED	TROTTER							
DailyCosts: Da	rilling	\$0		Com	pletion	\$0		Dail	y Total	\$0	
Cum Costs: D	rilling	\$0		Com	pletion	\$0		Wel	l Total	\$0	
MD	0 7	rvd	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:			PBTD : 0.0	0		Perf:			PKR De	pth: 0.0)

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs Activity Description 06:00 06:00 24.0 LOCATION DATA

679' FSL & 1945 FEL (SW/SE) SECTION 14, T9S, R22E UINTAH COUNTY, UTAH

LAT 40.030589, LONG 109.404050 (NAD 27)

Description

RIG: BASIC 30

OBJECTIVE: 9515' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: U-0282

ELEVATION: 4923.8' NAT GL, 4923.8' PREP GL (DUE TO ROUNDING THE PREP GL IS 4924'), 4944' KB (20')

EOG WI 50%, NRI 43.5%

06-26-2006 Reported By JI

JERRY BARNES

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling	\$0	Com	pletion	\$0		Well '	Total	\$ 0	
1D 2,310	TVD 2,3	10 Progress	0	Days	0	MW	0.0	Visc	0.0
ormation :	PBTI	0.0		Perf:			PKR Dep	th: 0.0	
ctivity at Report Ti	me: BUILDING LO	CATION							
tart End	Hrs Activity l	Description							
06:00 06:00	24.0 BEGAN C	ONSTRUCTION OF	LOCATIO	N.					
		LEVEL ELEVATIO							
	MI CONS	TRUCTION EQUIPM	MENT, BUI	LD ACCESS	ROAD AND	LOCATION	I, LINED RES	SERVE PIT.	
6-29-2006 R	eported By	JERRY BARNES							
DailyCosts: Drilling	\$39,900	Con	npletion	\$0		Daily	/ Total	\$39,900	
Cum Costs: Drilling	\$39,900	Con	npletion	\$0		Well	Total	\$39,900	
AD 40	TVD 4	0 Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBT	D : 0.0		Perf:			PKR Dep	oth: 0.0	
activity at Report T	ime: BUILDING LO	CATION - WO AIR	RIG						
Start End		Description							
06:00 06:00	FOR EOG	HOLE WITH ROCK NOTIFIED JAMIE : @ 6:00 PM.	Y MOUN SPARGER	TAIN AIR RIC W/VERNAL I	6 @ 7:00 PM BLM AND (1, 6/27/2006. CAROL DAN	JERRY BAR NIELS W/UDO	NES REPRESE OGM OF THE S	NTATIVI PUD ON
6-30-2006 R	Reported By	JERRY BARNES							
DailyCosts: Drilling	\$0	Cor	npletion	\$0		Daily	y Total	\$0	
Cum Costs: Drilling		Cor	npletion	\$0		Well	Total	\$39,900	
MD 40		0 Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBT	D : 0.0		Perf:			PKR De	pth: 0.0	
Activity at Report T	ime: BUILDING LO	CATION							
Start End		Description							
06:00 06:00	_	ON IS 40% COMPLE	TE.						
	Reported By	JERRY BARNES	3						
DailyCosts: Drilling	•	Co	mpletion	\$0		Dail	y Total	\$0	
Cum Costs: Drilling			mpletion	\$0		Well	l Total	\$39,900	
	•	40 Progress	0	Days	0	MW	0.0	Visc	0.0
	1 1 2	D : 0.0	-	Perf:			PKR De	pth: 0.0	
Formation : Activity at Report 7									
-		Description							
Start End 06:00 06:00		Description ON IS 45% COMPLI	ETE.						
		JERRY BARNES							
	Reported By			\$0		neil	ly Total	\$199,296	
DailyCosts: Drilling			mpletion mpletion	\$0			l Total	\$239,196	
Cum Costs: Drillin			•		0	MW	0.0	Visc	0.0
MD 2,310		,310 Progress	0	Days Perf :	U	TAT AA		epth: 0.0	- 7-
Formation:		TD: 0.0		rem:			I AK D	.p 0.0	
Activity at Report									
Start End	Hrs Activity	Description							

06:00

06:00

24.0 LOCATION 60% COMPLETE.

MIRU CRAIG'S AIR RIG #2. DRILLED 12-1/4" HOLE TO 2290' GL. ENCOUNTERED WATER AT 1800'. RAN 52 JTS (2243') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2263' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 155 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (42 BBLS) OF PREMIUM CEMENT W/2% CaCL2 & ½ #/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CFS. DISPLACED CEMENT W/162 BBLS FRESH WATER. DID NOT BUMP PLUG. STOP DISPLACEMENT @ 3:09 AM, 7/2/2006. FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB #2: MIXED & PUMPED 150 SX (32 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & ¼#/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB #3: MIXED & PUMPED 225 SX (46 BBLS) OF PREMIUM CEMENT W/2% CaCL2 & ½ #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MIN.

TOP JOB #4: MIXED & PUMPED 170 SX (35 BBLS) OF PREMIUM CEMENT W/2% CaCL2 & ¼ #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL, 1 BBL TO PIT. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2036' PICK UP TO 2030' & TOOK SURVEY, = 3/4 DEGREE.

JERRY BARNES NOTIFIED JAMIE SPARGER W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 6/30/2006 @ 5:45 PM. DONNA KENNEY W/VBLM CALLED BACK, SAID WELL RATED LOW, NO INSPECTOR.

07072006	Reported By	JEF	RRY BARNES							
DailyCosts: Drillin	g \$0		Con	pletion	\$0		Daily '	Total	\$0	
Cum Costs: Drillin		,196	Con	pletion	\$0		Well T	otal	\$239,196	
MD 2,310		2,310	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.	0		Perf:			PKR De	pth: 0.0	
Activity at Report	Time: BUILDI	NG LOCATIO	ON							
Start End 06:00 06:00		ctivity Desci	ription 80% COMPLE	TE.						
07-10-2006	Reported By	JE	RRY BARNES							
DailyCosts: Drillin	g \$0		Cor	npletion	\$0		Daily	Total	\$0	
Cum Costs: Drillir		,196	Cor	npletion	\$0		Well 7	Total	\$239,196	
MD 2,310		2,310	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.	.0		Perf:			PKR De	pth: 0.0	
Activity at Report	Time: WORT									
Start End	Hrs A	ctivity Desc	_!_4!							

8-07-2006	Security										
Part											
		•		Com	pletion	\$0		Well	Total	\$301,554	
	_	TVD	2,310	Progress	0	Days	0	MW	0.0	Visc	0.0
	ŕ			Ü		•			PKR Dep	oth: 0.0	
-			ivity Desc	ription							
			•	-	WU 1059-	14.					
00.00	00.00										
		SAF	ETY MEE	ΓING: RIGGINO	G DOWN/F	ROPER LIFT	ING				
		NOT	IFIED JAN	MIE SPARGER V	w/BLM O	N 8/6/06 AT 10):00 HRS O	F SPUD NOT	TICE		
		NOT WIL	TIFIED CA L CALL T	ROL DANIELS ODAY TO CON	W/UTAH (FIRM)	OIL AND GA	S ON 8/6/06	6 AT 10:05 PF	SPUD NOTI	CE (LEFT MES	SAGE,
08-08-200	6 Re	ported By	P.A	T CLARK							
DailyCosts:	Drilling	\$65,47	3	Con	pletion	\$0		Daily	Total Total	\$65,473	
Cum Costs	: Drilling	\$367,0	27	Con	npletion	\$0		Well	Total	\$367,027	
	·-	TVD	2,310	Progress	0	Days	0	MW	0.0	Visc	0.0
	:		PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Completion Com											
Start	End	Hrs Act	ivity Desc	ription							
06:00	12:00										
12:00	21:30	MA ANI	NIFOLD, U D LOW 250 AK ON FL	JPPER AND LC) PSI ANNULA ANGE BETWEE	WER KEL R PREVEN EN DOUBI	LY VALVES, ITER. TEST S LE GATE ANI	INSIDE BO SURFACE C D MUD CRO	OP AND SAF CASING TO 1 OSS, REPLA	ETY VALVE. 1,500 PSI FOF CED RING G	TEST HIGH 2, R 30 MINUTES. ASKET. RELIE	HAD F VALVE
	00:30	3.0 RIG	REPAIR,	WORK ON BRA	AKES.						
21:30									TICKE DICK	TIDDUA	
	06:00		FETY MEE		REW AND	RIG CREW. I	RU WEATH	ERFORD IR	UCKS. FICK	OF BRA.	
	06:00	5.5 SAI		TING W/LD CF				ERFORD IN	————	OF BRA.	
00:30		5.5 SAI	FETY MEE	TING W/LD CE							
00:30)6 R	5.5 SAI SAI eported By	FETY MEE	TING W/LD CE TING: RIGGIN AT CLARK	G UP/PICI	CING UP BHA		Dail	y Total	\$32,567	
00:30 08-09-200 DailyCosts	6 R	5.5 SAI SAI eported By \$32,50	FETY MEE P 67	TING W/LD CE TING: RIGGIN AT CLARK Coi	G UP/PICI	KING UP BHA		Dail	y Total l Total	\$32,567	
00:30 08-09-200 DailyCosts Cum Costs	06 R n: Drilling s: Drilling	5.5 SAI SAI eported By \$32,50 \$399,	FETY MEE P 67 594	TING W/LD CE TING: RIGGIN AT CLARK Cou	G UP/PICI mpletion mpletion	SO	Α	Dail Wel	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs	ne R. Brilling s: Drilling 3,175	5.5 SAI SAI eported By \$32,50 \$399,	P 67 594 3,175	TING W/LD CE TING: RIGGIN AT CLARK Coi Coi Progress	G UP/PICI mpletion mpletion	SO SO Days	Α	Dail Wel	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation	6 R i: Drilling i: Drilling 3,175	5.5 SAI SAI eported By \$32,50 \$399,	P 67 594 3,175 PBTD:	TING W/LD CE TING: RIGGIN AT CLARK Coi Coi Progress	G UP/PICI mpletion mpletion	SO SO Days	Α	Dail Wel	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation Activity at	i: Drilling 3,175 : Report T	5.5 SAI SAI eported By \$32,50 \$399, TVD ime: DRILLIN	P 67 594 3,175 PBTD :	TING W/LD CE TING: RIGGIN AT CLARK Coi Progress 0.0	G UP/PICI mpletion mpletion	SO SO Days	Α	Dail Wel	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation Activity at	Document of the second of the	5.5 SAI SAI eported By \$32,56 \$399, TVD ime: DRILLIN Hrs Ac	P 67 594 3,175 PBTD: NG tivity Des	TING W/LD CE TING: RIGGIN AT CLARK Con Progress 0.0 cription	G UP/PICI mpletion mpletion	SO SO Days	Α	Dail Wel	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation Activity at Start 06:00	Document of the control of the contr	5.5 SAI SAI eported By \$32,56 \$399, TVD ime: DRILLIN Hrs Ac 1.75 PIC 1.25 RE	PETY MEE 7 67 594 3,175 PBTD: NG tivity Des CK UP BHA PAIR HYD	TING W/LD CE TING: RIGGIN AT CLARK Con Progress 0.0 cription A AND DP. RAULIC HOSE	mpletion 950	\$0 \$0 Days Perf:	1	Dail Wel MW	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation Activity at 06:00 07:45	66 R: Drilling 3,175 : Report Ti End 07:45 09:00	5.5 SAI SAI eported By \$32,50 \$399, TVD ime: DRILLIN Hrs Ac 1.75 PIC 1.25 RE 2.0 FIN	FETY MEE P 67 3,175 PBTD: NG tivity Des CK UP BHA PAIR HYE NISH PICK	TING W/LD CE TING: RIGGIN AT CLARK Con Progress 0.0 cription A AND DP. RAULIC HOSE ING UP DP. TAV	G UP/PICI mpletion 950	\$0 \$0 Days Perf:	1	Dail Wel MW	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0
00:30 08-09-200 DailyCosts Cum Costs MD Formation Activity at 06:00 07:45	66 R: Drilling 3,175 : Report Ti End 07:45 09:00	5.5 SAI SAI eported By \$32,50 \$399, TVD ime: DRILLIN Hrs Ac 1.75 PIC 1.25 RE 2.0 FIN 1.0 PU	FETY MEE P 67 594 3,175 PBTD: NG tivity Des CK UP BHA PAIR HYD NISH PICK KELLY. II	TING W/LD CE TING: RIGGIN AT CLARK Con Progress 0.0 cription A AND DP. RAULIC HOSE ING UP DP. TAV	mpletion 950 G CEMEN UBBER.	\$0 \$0 Days Perf:	1	Dail Wel MW	y Total l Total 8.4	\$32,567 \$399,594 Visc	26.0

Page 4

13:00	16:45	3.75 DRILL CEMENT 2077' - 2225'. FC @ 2161', SHOE @ 2206'. PERFORM FIT TEST TO 350 PSI, 11.5 EMW.
16:45	18:15	1.5 DRILL 2225' - 2319', WOB 10K, RPM 50/67, SPP 800 PSI, DP 200 PSI, ROP 63 FPH.
18:15	18:45	0.5 SURVEY @ 2249', 1 DEG.
18:45	06:00	11.25 DRILL 2319' - 3175', WOB 10-17K, RPM 40-60/67, SPP 1050 PSI, DP 250 PSI, ROP 76 FPH.

SAFETY MEETING: MAKING CONNECTIONS/PROPER MAINTAINENCE

FORMATION: GREEN RIVER

BG GAS 400-1000U, CONN GAS 2000U, HIGH GAS 6500U @ 2550'

LITHOLOGY: LIMESTONE 40%, SILTSTONE 60%

2' FLARE STARTING @ 2875'

06:00	S	PUD	7	7/3
-------	---	-----	---	-----

18.0 SPUD 7 7/8" HOLE AT 16:45 HRS, 8/9/06.

08-10-2006	Re	ported By	PA	T CLARK/DAV	ID FORE	MAN					
DailyCosts:	Drilling	\$33,	258	Con	npletion	\$0		Daily	Total	\$33,258	
Cum Costs:	Drilling	\$432	2,852	Con	npletion	\$0		Well 7	Total .	\$432,852	
MD	4,590	TVD	4,590	Progress	1,415	Days	2	MW	9.0	Visc	34.0
Formation :			PBTD:	0.0		Perf:			PKR De	pth: 0.0	

Activity at Report Time: DRILLING

Start	End		Activity Description
06:00	08:00	2.0	DRILL 3175' – 3292', WOB 16K, RPM 40/67, SPP 1100 PSI, DP 250 PSI, ROP 69 FPH.
08:00	08:30		SURVEY @ 3262', 1 3/4 DEG.
08:30	12:00	3.5	DRILL 3292' - 3620', 328' ROP 93.7, WOB 16/18, RPM 55/62, GPM 402.
12:00	13:00		SERVICE RIG.
13:00	16:00	3.0	DRILL 3620' TO 3779', 159', ROP 53, WOB 16/18, RPM 55/62, GPM 402.
16:00	16:30		WORK ON PUMP #2 CHG PISTON.
16:30	01:00	8.5	DRILL 3779' TO 4318', 539', ROP 63.4, WOB 18/20, RPM 55/62, GPM 402.
01:00	01:30	0.5	WIRE LINE SERVICE @ 4243', 2 DEG.
01:30	06:00	4.5	DRILL 4318' TO 4590', 272', ROP 60.4, WOB 18/20, GPM 402.

PU 106, SO 96, ROT 102

ACCIDENTS NONE REPORTED

SAFETY MEETING: HOUSEKEEPING/MAKEING CONNECTIONS

BOP DRILL 44 SEC

CREWS FULL

FUEL ON HAND 6413 GALS, USED 1029 GALS

LITHOLOGY SH 35%, SS 35%, ST 25%, LS 5%

CONN GAS 1000U, BG 200U

MUD WT 9 PPG, VIS 34

08-11-2006	Re	ported By	D	AVID FOREMA	N						
DailyCosts:	Drilling	\$35,20	56	Com	pletion	\$0		Daily '	Total	\$35,266	
Cum Costs:	_	\$468,	119	Com	pletion	\$0		Well T	otal	\$468,119	
MD	5,444	TVD	5,444	Progress	854	Days	3	MW	9.0	Visc	32.0

Property: 057275

Activity at September Sep
Start Note
13:30
13:30
14:30
14:30 22:30 8.0 DRILL 4807 TO 5444", 637", ROP 79.6, WOB 18, RPM 55+62, GPM 405. MAKING CONNECTION AND HUNG RACKING BOARD COMING OUT OF MOUSE HOLE WITH SWIVEL. 22:30 05:30 7.0 RIG REPAIR. CIRC/CONDITION MUD TO LAY DOWN DRILL PIPE FOR RIG REPAIRS. BUILD MUD WT TO 10.2 PPG, VIS 38.
22:30 05:30 7.0 RIG REPAIR. CIRC/CONDITION MUD TO LAY DOWN DRILL PIPE FOR RIG REPAIRS. BUILD MUD WT TO 10.2 PPG, VIS 38. 05:30 06:00 0.5 PUMP SLUG, SET KELLY BACK. JSA& SAFETY MEETING W/CALIBER LAY DOWN CREW. START LAYING DOWN DRILL PIPE 1X1. INCIDENT: MAKING CONNECTION HUNG RACKING BOARD, SEVERE DAMAGE TO OFF DRILLERS SIDE PU 118, SO 108, ROT 115 ACCIDENTS NONE REPORTED SAFETY MEETING: PICKING UP TO V-DOOR/MAKING CONNECTIONS BOP DRILL 40 SEC CREWS FULL FUEL ON HAND 5614 GALS, USED 800 GALS WASATCH @ 4810* LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40 08-12-2006 REPORTED BY DAVID FOREMAN DailyCosts: Drilling S33,892 Completion S0 Daily Total S33,892 Cum Costs: Drilling S502,011 Completion S0 Well Total S502,011 MD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PET PETD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE IXI FROM 5444* TO 2104* IN SHOE.
PPG, VIS 38. 05:30
DOWN DRILL PIPE 1X1.
PU 118, SO 108, ROT 115 ACCIDENTS NONE REPORTED SAFETY MEETING: PICKING UP TO V-DOOR/MAKING CONNECTIONS BOP DRILL 40 SEC CREWS FULL FUEL ON HAND 5614 GALS, USED 800 GALS WASATCH @ 4810' LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40 08-12-2006 Reported by DAVID FOREMAN DailyCosts: Drilling S33,892 Completion 50 Daily Total S33,892 Cum Costs: Drilling S502,011 Completion 50 Well Total S502,011 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
ACCIDENTS NONE REPORTED SAFETY MEETING: PICKING UP TO V-DOOR/MAKING CONNECTIONS BOP DRILL 40 SEC CREWS FULL FUEL ON HAND 5614 GALS, USED 800 GALS WASATCH @ 4810' LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40 08-12-2006 Reported By DAVID FOREMAN DailyCosts: Drilling \$33,892 Completion \$0 Daily Total \$33,892 Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$502,011 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
SAFETY MEETING: PICKING UP TO V-DOOR/MAKING CONNECTIONS BOP DRILL 40 SEC
BOP DRILL 40 SEC CREWS FULL FUEL ON HAND 5614 GALS, USED 800 GALS
CREWS FULL FUEL ON HAND 5614 GALS, USED 800 GALS WASATCH @ 4810' LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40 08-12-2006 Reported By DAVID FOREMAN DailyCosts: Drilling \$33,892 Completion \$0 Daily Total \$33,892 Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$502,011 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
WASATCH @ 4810' LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40
WASATCH @ 4810' LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40
LITHOLOGY SH.35%, SS 35%, ST 25%, LS 5% CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40
CONN GAS 900U, BG 150, NO FLAIR MUD WT 10.2, VIS 38/40
MUD WT 10.2, VIS 38/40 08-12-2006 Reported By DAVID FOREMAN DailyCosts: Drilling \$33,892 Completion \$0 Daily Total \$33,892 Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$502,011 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
08-12-2006 Reported By DAVID FOREMAN Daily Costs: Drilling \$33,892 Completion \$0 Daily Total \$33,892 Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$502,011 MD 5,444 Progress 0 Days 4 MW 0.0 Visc PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
DailyCosts: Drilling \$33,892 Completion \$0 Daily Total \$33,892 Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$33,892 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE. Completion
Daily Costs: Drilling \$353,892 Completion \$0 Well Total \$502,011 MD 5,444 TVD 5,444 Progress 0 Days 4 MW 0.0 Visc 0.0 Formation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
Cum Costs: Drilling \$502,011 Completion \$0 Well Total \$502,011 MD 5,444 TVD 5,444 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE. SHOE
MD 5,444 TVD 5,444 Progress 0 Days 1 MV 5 To Separation: PBTD: 0.0 Perf: PKR Depth: 0.0 Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
Activity at Report Time: REPAIR DERRICK BOARD Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
Start End Hrs Activity Description 06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
06:00 09:30 3.5 LAY DOWN DRILL PIPE 1X1 FROM 5444' TO 2104' IN SHOE.
44.44
09:30 10:00 0.5 RIG DOWN LAY DOWN MACHINE. SECURE WELL.
10:00 14:30 4.5 JSA W/CREW & CRAIN OPERATOR. RIG DOWN. SECURE DERRICK BOARD WITH CRANE TOO LOWER TOP SECTION AND REMOVE FOR REPAIRS. MONITOR WELL.
14:30 06:00 15.5 WO WELDER TO REPAIR DERRICK BOARD. CROWN ENERGY TECHNOLOGIES WILL MAKE REPAIRS. WELDERS ON LOCATION @ 03:00 HRS, 8/12/06.
MONITOR WELL. WELL STABLE (STATIC)
ACCIDENTS NONE REPORTED
SAFETY MEETING: LAY DOWN DP/WORKING ON DERRICK
CREWS FULL
FUEL ON HAND 5000 GALS, USED 614 GALS
MUD WT 10.3 PPG, VIS 35

08-13-2006	Re	ported E	By DA	WID FOREMAN							
DailyCosts:	Drilling	\$2	25,190	Comple	etion	\$0		Daily	y Total	\$25,190	
Cum Costs:	Drilling	\$:	527,202	Comple	etion	\$0		Well	Total	\$527,202	
MD	5,444	TVD	5,444	Progress	0	Days	5	MW	10.3	Visc	35.0
Formation :	:		PBTD : 0.	.0		Perf:			PKR Dep	oth: 0.0	
Activity at I	Report Tii	me: RIG	REPAIR								
Start 1	End	Hrs	Activity Desc	ription							
06:00	12:00	6.0	CUT AND FAB	ON DERRICK BO	ARD,CI	ROWN ENER	GY TECH	NOLOGIES	SUPERVISIN	G REPAIRS.	
12:00	13:00	1.0	CUT DRILLING	G LINE 188'.							
13:00	20:00	7.0	CONTINUE FA	BRICATION & WE	ELDING	ON DERRIC	CK BOARI), CROWN T	ECHNOLOG	IES SUPERVIS	ING
20:00	00:00			ISPECTION ON RE							
00:00	06:00	6.0	GENERAL RIC	SERVICE. WO DA	AY LIGH	IT TO HANG	BOARD.	CRANE TO	BE ON LOCA	TION AT 07:00	HRS.
				LL. WELL STABL	E (STAT	IC)					
				ONE REPORTED			O				
				TING: WORKING \	W/WEL	DERS/LOCK	OUI-IAC	1001			
			CREWS FULL	· D · 4000 G · I G · I/G	ED 700	CALC					
				ND 4300 GALS, US	ED /00	GALS					
			MUD WT 10.3			<u></u> –					
08-14-2006		ported l	J	AVID FOREMAN		c 0		D-il	n Total	\$25,371	
DailyCosts:	_	\$	25,371	Comple	etion	\$0			y Total		
					4.	en.		\$\$7.11	Tatal		
Cum Costs:	_	\$	552,573	Comple		\$0	,		l Total	\$552,573	0.0
MD	5,444	TVD	5,444	Progress	etion 0	Days	6	Well	0.0	Visc	0.0
MD Formation	5,444 :	TVD	5,444 PBTD : 0	Progress			6			Visc	0.0
MD Formation	5,444 :	TVD	5,444 PBTD : 0	Progress		Days	6		0.0	Visc	0.0
MD Formation : Activity at l	5,444 :	TVD me: TRII Hrs	5,444 PBTD: 0 P FOR BIT Activity Desc	Progress .0	0	Days Perf:	6		0.0	Visc	0.0
MD Formation : Activity at l	5,444 : Report Ti	TVD me: TRII Hrs 7.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND	Progress .0 cription D RAILS ON DERR	0 RICK BO	Days Perf:			0.0	Visc	0.0
MD Formation : Activity at l	5,444 : Report Ti End	TVD me: TRII Hrs 7.0 3.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HANI HANG BOARI	Progress .0 cription D RAILS ON DERR D & REPOSITION I	0 RICK BC HANGIR	Days Perf: ARD. NG CABLES		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation Activity at 1 Start 06:00	5,444 : Report Ti End 13:00	TVD me: TRII Hrs 7.0 3.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HANI HANG BOARI	Progress .0 cription D RAILS ON DERR	0 RICK BC HANGIR	Days Perf: ARD. NG CABLES		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation Activity at 1 Start 06:00 13:00	5,444 : Report Ti End 13:00 16:00	TVD me: TRII Hrs 7.0 3.0 2.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI	Progress O Pription O RAILS ON DERR O & REPOSITION F CK, INSPECTION O NE 138'.	0 RICK BO HANGIR ON DEF	Days Perf: ARD. NG CABLES RRICK BY C		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation Activity at 1 Start 06:00 13:00 16:00	5,444 : Report Ti End 13:00 16:00 18:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM	Progress O RAILS ON DERR O REPOSITION O CK, INSPECTION O NE 138'. MS UP, CONDITION	0 RICK BC HANGIN ON DEF	Days Perf: ARD. NG CABLES RRICK BY C		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation : Activity at 1 Start 06:00 13:00 16:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR	Progress O Progress O Pription O RAILS ON DERR O REPOSITION FOR THE PROPERTY OF THE PROPER	0 RICK BC HANGIN ON DEF	Days Perf: ARD. NG CABLES RRICK BY C		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation: Activity at 1 Start 06:00 13:00 16:00 18:00 20:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR	Progress O RAILS ON DERR O REPOSITION O CK, INSPECTION O NE 138'. MS UP, CONDITION	0 RICK BC HANGIN ON DEF	Days Perf: ARD. NG CABLES RRICK BY C		MW	0.0 PKR De	Visc pth: 0.0	
06:00 13:00 16:00 18:00 20:00 21:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOR	Progress .0 cription D RAILS ON DERR D & REPOSITION IN CK, INSPECTION IN NE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE.	0 RICK BC HANGIN ON DEF N MUD	Days Perf: ARD. NG CABLES RRICK BY C		MW	0.0 PKR De	Visc pth: 0.0	
MD Formation : Activity at 1 Start	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOR	Progress O Progress O Pription O RAILS ON DERR O REPOSITION OF CK, INSPECTION OF INE 138'. MIS UP, CONDITION ING, TIGHTEN GUY RE BIT CHANGE.	0 RICK BO HANGIR ON DEF N MUD	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	
MD Formation : Activity at 1 Start 06:00 13:00 16:00 18:00 20:00 21:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOR	Progress O Pription O RAILS ON DERR O & REPOSITION O CK, INSPECTION O NE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE. NONE REPORTED TING: WORKING	0 RICK BO HANGIR ON DEF N MUD	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	
MD Formation : Activity at 1 Start	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOR ACCIDENTS N SAFETY MEE CREWS FULL	Progress O Pription O RAILS ON DERR O & REPOSITION IN CK, INSPECTION IN NE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE. NONE REPORTED TING: WORKING	0 RICK BC HANGIN ON DEF N MUD WIRES	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	
MD Formation : Activity at 1 Start 06:00 13:00 16:00 18:00 20:00 21:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOR ACCIDENTS M SAFETY MEE CREWS FULL FUEL ON HAM	Progress O Pription O RAILS ON DERR O E REPOSITION IN CK, INSPECTION IN INE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE. NONE REPORTED TING: WORKING ND 3800 GALS, US	0 RICK BC HANGIN ON DEF N MUD WIRES	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	
MD Formation: Activity at 1 Start 06:00 13:00 16:00 18:00 20:00 21:00 02:00	5,444 : Report Ti End	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0 4.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOI ACCIDENTS N SAFETY MEE CREWS FULL FUEL ON HAI MUD WT 10.3	Progress O Pription O RAILS ON DERR O E REPOSITION IN CK, INSPECTION IN INE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE. NONE REPORTED TING: WORKING ND 3800 GALS, US	0 RICK BC HANGIN ON DEF N MUD WIRES	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	
MD Formation: Activity at 1 Start 06:00 13:00 16:00 18:00 20:00 21:00	5,444 : Report Ti End 13:00 16:00 18:00 20:00 21:00 02:00 06:00	TVD me: TRII Hrs 7.0 3.0 2.0 1.0 5.0 4.0	5,444 PBTD: 0 PFOR BIT Activity Desc REPAIR HAND HANG BOARD RAISE DERRIC BOARD. SLIP DRLG LI CIRC BOTTOM LEVEL BOAR TRIP OUT FOI ACCIDENTS N SAFETY MEE CREWS FULL FUEL ON HAI MUD WT 10.3	Progress O Pription O RAILS ON DERR O & REPOSITION IN CK, INSPECTION IN NE 138'. MS UP, CONDITION D, TIGHTEN GUY R BIT CHANGE. NONE REPORTED TING: WORKING ND 3800 GALS, US PPG, VIS 35	0 RICK BC HANGIR ON DEF N MUD WIRES W/CRA	Days Perf: ARD. NG CABLES RRICK BY C	ROWN TE	MW	0.0 PKR De	Visc pth: 0.0	

Page 7

MD	5,444	TVD	5,444	Progress	0	Days	7	MW	10.4	Visc	35.0
Formation	1:		PBTD : 0.	0		Perf:			PKR Dep	th: 0.0	
Activity at	t Report Tin	ne: WAS	H/REAM								
Start	End	Hrs	Activity Desc	ription							
06:00	08:00	2.0	FINISH TRIP C	UT REMOVE	BIT, CHAN	IGE OUT MC	TOR.				
08:00	11:30	3.5	MAKE UP BIT.	PICK UP STB	AT 30' & 6	0'. TRIP IN T	ro shoe, bi	REAK CIRC			
11:30	12:00	0.5	LEVEL DERRI	CK JSA SAFE	TY MEETI	NG W/CALIE	BER & RIG C	REWS.			
12:00	12:30	0.5	RIG UP CALIB	ER LD MACH	INE.						
12:30	15:30		PICK UP DRIL								
15:30	16:00		WO DRAWWO								
16:00	17:30		PICK UP PIPE								
17:30	18:00		PICK UP FROM								or nine 4
18:00	19:30		PICK UP KELI CONDTION H	OLE LOST 26	BBLS.					CULATE. WOR	K PIPE &
19:30	06:00	10.5	WASH/REAM	FROM 4508' T	O 5047', BI	JILD VOLUN	AE & COND	. MUD WT	10.4 TO 10.6.		
			ACCIDENTS N	ONE REPORT	ED						
			SAFETY MEE	TING: WORKI	NG W/CRA	NE TRIPPIN	IG				
			CREWS FULL								
			FUEL ON HAN	ND 3477 GALS	, USED 323	GALS					
			MUD WT 10.6								
			BASIC RIG TI	ME FROM 12:0	00:00 TO) = 18 HRS, T	ROUBLE TI	ME			
06:00		18.0									
08-16-20	006 Re	eported 1	By D	AVID FOREMA	AN						
DailyCos	ts: Drilling	\$	34,425	Co	mpletion	\$3,894		Dail	y Total	\$38,319	
	ts: Drilling	\$	604,772	Cor	mpletion	\$3,894		Wel	l Total	\$608,666	
MD	5,677	TVD	5,677	Progress	233	Days	8	MW	10.5	Visc	42.0
Formatio	n:		PBTD:	0.0		Perf:			PKR Dep	oth: 0.0	
Activity a	ıt Report Ti	me: DRI	LLING								
Start	End	Hrs	Activity Des	cription							
06:00	14:00	8.0	WASH/REAM	FROM 5047' T	O 5332'. P	UMP HI VIS.	SWEEP LO	CKED UP, N	IO RETURNS,	PACKED OF	₹.
14:00	14:30	0.5	LAY DOWN F	ROM 5332' TO	5166', RE	GAIN CIRC.					
14:30	15:00	0.5	CIRC/COND I	HOLE.							
15:00	20:30	5.5	WASH & REA	M FROM 5166	' TO 5444'	BACK ON D	DAY WORK	@ 20:30 HR	S, 15/08/2006.		
20:30	06:00	9.5	DRILL 5444'	ro 5677', 233',	ROP 24.5,	WOB 18/20, 1	RPM 55/62,	GPM 402.			
			PU 120, S/O 1	05, ROT 112							
				NONE REPOR	TED						
				ETING: HOUSE		MAKING CO	ONNECTION	NS			
			BOP DRILL 4								
			CREWS FULI								
			FUEL ON HA	ND 2711 GAL	S, USED 76	66 GALS					
			LITHOLOGY	: SH 45%, SS 4	5%, ST 10%	6					

CONN GAS 300U, BG 50U MUD WT 10.9 PPG, VIS 38

			MUD WT 10.9	PPG, VIS 38							
8-17-2006	Re	ported I	By D	AVID FOREMA	AN						
ailyCosts:	Drilling	\$:	39,364	Cor	mpletion	\$3,894		Daily	/ Total	\$43,258	
cum Costs:		\$	644,136	Cor	mpletion	\$7,788		Well	Total	\$651,925	
мD	6,298	TVD	6,298	Progress	621	Days	9	MW	11.0	Visc	40.0
ormation :	, !		PBTD:	.0		Perf:			PKR Dep	th: 0.0	
Activity at 1		me: DRII	LLING								
-	End	Hrs	Activity Desc	ription							
06:00	15:30	9.5	DRILL ROTAT	E W/MOTOR	FROM 5677	' TO 5933', 25	6', ROP 26	.9, WOB 12/	16, RPM 55/62	2, GPM 402.	
15:30	16:00	0.5	SERVICE RIG	,							
16:00	18:30	2.5	DRILL ROTAT	E W/MOTOR	FROM 5933	' TO 6028', 95	ROP 38, V	WOB 10/12, 1	RPM 45/62, G	PM 402.	
18:30	20:30		SET KELLY B TO 5965'. FRE	E AND REGA	IN CIRC. W	ASH TO BOT	rom, Los	1.30 BBF2 I	N FURMALIC	N.	
20:30	06:00	9.5	DRILL ROTAT VOLUME. MU BBLS, 11. MU	D LOSS AT 6	FROM 6028 070' TO 608	3' TO 6298', 27 0', 27 BBLS. T	0', ROP 28 OTAL LOS	1.4, WOB 10/ SS OVER 6 I	12, RPM 45/6 HRS 127 BBL	2, GPM 402, BI S LOSS STOP.	UILD MUE BUILD 210
			PU 125, S/O 1								
			ACCIDENTS								
			SAFETY MEE	TING: DRLG	REAMING	USING PIPE I	IANDLER	•			
			BOP DRILL 5	5 SEC							
			CREWS FULI								
			FUEL ON HA	ND 2711 GAL	S, USED 99	6 GALS					
				SH 35%, SS 3 9U, BG 8U, P VIS 42							
08-18-200	6 R	eported	Ву	DAVID FOREM	IAN						
DailyCosts	: Drilling		\$41,912	C	ompletion	\$0		Dai	ly Total	\$41,912	
Cum Cost			\$686,048	C	ompletion	\$7,788		We	ll Total	\$693,837	
		TVD	7,215	Progress	917	Days	10	MW	11.0	Visc	37.0
MD	7,215	IVD		•	-	Perf:			PKR De	epth: 0.0	
Formation			PBTD:	0.0		1011.				•	
Activity at	Report T										
Start	End	Hrs	Activity Des		. (2001 TO ((626) 227) DO	D 36 4 W	OR 10/12 RF	PM 48/62. GPN	4 402.	
06:00	12:30							JB 10/12, 10	111 10/02, 011		
12:30	13:00	0.	5 SERVICE RI	G. CHANGE U	O I KOTAT	ING RUDDER.	D 40 WOI	2 14/18 RPM	50/62 GPM	4 02.	
13:00	06:00	17.	0 DRILL ROTA	TE W/MOTO	C 6535' TO	/215', 680', KC)P 40, WOI	5 14/16 KI W	30/02, GI M	102.	
			RENTAL PIF JTS IN HOLI	PE TOTAL 318 E, WILL RELE	JTS. RELEA ASE ON BI	ASED (ON 8/1) T TRIP.	1/06) 180 J	TS TO QUA	IL TOOLS AN	D 130 TO PIO	NEER # 57
			MUD LOSS	45 BBLS LAS	r 24, BUILI	75 BBLS IN I	PRE MIX T	TANK FOR E	EMERGENCY		
			PU 132, S/O	125, ROT 128							
			ACCIDENTS	NONE REPO	RTED						

Property: 057275

Well Name: CWU 1059-14

SAFETY MEETING: RUN CASING/MAKING CONN

CREWS FULL

FUEL ON HAND 733 GALS, USED 1022 GALS

LITHOLOGY: SH 35%, SS 25%, SA 35%, LS 5%

CONN GAS 150U, BG 50U

MUD WT 11.1, VIS 42

08-19-200	6 Re	ported By	D	AVID FOREMA	λN						
DailyCosts:	Drilling	\$58,7	78	Con	npletion	\$3,482		Daily	Total	\$62,261	
Cum Costs	: Drilling	\$744	,827	Con	npletion	\$11,270		Well	Total	\$756,098	
MD	7,895	TVD	7,895	Progress	680	Days	11	MW	11.0	Visc	40.0
Formation	:		PBTD: 0	0.0		Perf:			PKR De	pth: 0.0	
Activity at	Report Ti	me: DRILLI	NG								
Start	End		tivity Desc								
06:00	15:00	9.0 DF	RILL ROTAT	E W/MOTOR F	ROM 7215	' TO 7486', 271	' ROP 30.	1, WOB 14/1	8, RPM 50/62	, GPM 402.	
15:00	15:30		RVICE RIG								
15:30	06:00	14.5 DF	RILL ROTAT	E W/MOTOR F	FROM 7486	5' TO 7895', 409	9', ROP 28	3.9, WOB 14/1	18, RPM 50/6	2, GPM 402.	
		PU	J 148, S/O 14	10, ROT 144							
		AC	CCIDENTS 1	NONE							
		SA	FETY MEE	TING: HOUSE	KEEPING	MIXING CHE	MICALS				
		ВС	OP DRILL 4	8 SEC							
		CI	REWS FULL								
		FU	JEL ON HA	ND 6704 GALS	, USED 10	26 GALS, REC	EIVED 70	000 GALS			
		LI	THOLOGY:	SD 35%, SH 35	5%, SS 30%	6					
		G	AS BG 150U	, CONN 436 G	ALS						
		LO	OGGER CAI	LLING TOP OF	PRICE RI	VER DEPTH @	7070'				
08-20-206	6 P	enorted By	Г	AVID FOREM	AN						

08-20-2006	Re	ported By	D	AVID FOREMA	N						
DailyCosts: Dril		\$55,8 \$800			apletion	\$0 \$11,270		Daily Well T		\$55,834 \$811,932	
	70	TVD	8,470	Progress	575	Days Perf :	12	MW	11.0 PKR Der	Visc	40.0
Formation:			PBTD:	0.0		Peri :			i KK Dep	7.11 • 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL ROTATE W/MOTOR 7895' TO 8055', 160', ROP 18.8, WOB 18/20, RPM 50/62, GPM 402.
14:30	15:00		SERVICE RIG.
15:00	06:00	15.0	DRILL ROTATE W/MOTOR 8055' TO 8470', 415', ROP 27.6, WOB 18/20, RPM 55/62, GPM 402.
			A DREAM OUT CONNECTIONS TWICE

PICK UP NEW DRILL PIPE MAKE UP & BREAK OUT CONNECTIONS TWICE

PU 165, SO 145, ROT 155 ACCIDENTS NONE

SAFETY MEETING: PINCH PONTS/TEAM WORK

BOP DRILL 55 SEC

CREWS FULL

FUEL ON HAND 5749 GALS, USED 1358 GALS

LITHOLOGY: SD 35%, SH 35%, SS 30%

GAS BG 435U, CONN 678U

PRICE RIVER MIDDLE 8082'

SHOW @ 8421' TO 8425', GAS 2552U, BG 500U

			SHOW @ 8421								
8-21-200	6 Re	ported B	y DA	VID FOREMAN	4						
DailyCosts:	Drilling	\$2	7,303	Com	pletion	\$0		•	Total	\$27,303	
Cum Costs	Drilling	\$8:	27,965	Com	pletion	\$11,270		Well	Total	\$839,236	
MD	8,478	TVD	8,478	Progress	8	Days	13	MW	11.1	Visc	40.0
Formation	•		PBTD : 0.0	0		Perf:			PKR Dep	th: 0.0	
Activity at	Report Ti	me: SPOT	LCM PILL								
Start	End	Hrs	Activity Desci	ription							
06:00	08:30	2.5	DRILL ROTATI	W/MOTOR F	ROM 847	0' TO 8478', 8',	, ROP 3.2, V	VOB 18/20,	RPM 55/62, G	PM 402.	
08:30	10:00		CIRC OUT, DRO SET KELLY BA	CK @ 8184'.							
10:00	12:30		TRIP OUT FRO OFF. WORK P	PE AND PUMP	INTERN	IITTENT. WO	RK PIPE FI	REE @ 8158	'. SET KELLY	BACK.	
12:30	13:30		TRIP OUT 1 ST 10.7 PPG. OBSI	ERVE WELL. F	LOWING	i I" STREAM.	TIH W/1 S	TD.			
13:30	16:30		PICK UP KELL 6717U, 30' FLA	RE.							
16:30	20:30		CIRCULATE & FLOW.								
20:30	02:30		TRIP OUT FOR	1283'. LOST R	RETURNE	ES UNABLE TO) FILL HO	LE. SECURE	OWN 9 JTS OI E WELL.	F S-135 RENT	AL DP,
02:30	05:30		BUILD VOLUM				ER BBL/40	BBLS.			
05:30	06:00	0.5	PUMP AND SP	POT PILL @ 1,2	83 BIT D	ЕРТН.					
			ACCIDENTS N								
			SAFETY MEE	TING: PINCH P	PONTS						
			CREWS FULL								
			FUEL ON HAN	ND 4004 GALS,	USED 17	45 GALS					
			LITHOLOGY:	SD 40%, SH 35	%, SS 209	%, LIME 5%					
			GAS BG 435U								
	_		BOTTOMS UP	AFTER SHOR	T TRIP G	AS 6383 UNIT:	S 30 TO 40	, FLAIR			
08-22-20)6 R	eported 1	By D	AVID FOREMA	AN						
DailyCost	s: Drilling	\$	39,964	Cor	npletion	\$0		Dail	ly Total	\$39,964	
-	s: Drilling		867,929	Сог	npletion	\$11,270		Wel	l Total	\$879,200	
MD	8,478	TVD	8,478	Progress	0	Days	14	MW	11.4	Visc	42.0
Formation	•		PBTD:	0.0		Perf:			PKR De	pth: 0.0	

Start	End	Hrs A	ctivity Description
06:00	06:30	0.5 BU	UILD SECOND LCM PILL, 15 LB PER BBL 40 BBLS. MUD LOST 158 BBLS 8/21/06.
06:30	07:00	0.5 PU	UMP AND SPOT SECOND PILL @ 1,283' BIT DEPTH. REGAIN CIRC. MONINTOR WELL, STATIC, NO FLOW.
07:00	09:30	2.5 CC	ONT TRIP OUT OF HOLE, LAY DOWN 2 STB. REMOVE BIT.
09:30	11:00	1.5 CI	HANGE OUT MOTOR, MAKE UP BIT #3, 7 7/8 HC 506ZX.
11:00	15:00	4.0 RI	EPAIR HYDRAULIC RIG TONGS, CHG DIES, AJUST ROLLERS LEVEL TONGS.
15:00	18:00	3.0 TF	RIP IN HOLE TO CSG SHOE @ 2256'. INSTALL ROT RUBBER.
18:00	22:00		IRCULATE BOTTOMS UP @ 66 SPM. SMALL FLARE, GOOD RETURNES. STOP AND CIRC PITS & COND IUD. BUILD 125 BBLS OF VOLUME 11.2.
22:00	01:00		ICK UP (9) JTS NEW DRILL PIPE 1 X 1. TIH. FILL PIPE, NO RETURNS @ 5070'. PASON RECORDED LOST ETURNS AT 3281' W/TRIPPING IN HOLE.
01:00	03:00	2.0 TI	RIP OUT FROM 5070' TO 2240', ABOVE CASING SHOE @ 2263'.
03:00	04:30	1.5 M	11X AND PUMP LCM PILL, 35 BBLS @ 15 LBS/PER BBL + 1/2 BAG ANCO SORB.
04:30	06:00	1.5 M	IIX LCM 20 LBS/PER BBL. BUILD VOLUME IN SUCTION TANK.
		М	MUD LOST 300 BBLS
		A	ACCIDENTS NONE
		S	AFETY MEETING: TRIPPING/TEAM WORK/MIXING LCM
		C	CREWS DAYS SHORT (1) FLOOR HAND
		F	UEL ON HAND 3259 GALS, USED 745 GALS

08-23-2006	Re	ported By	D	AVID FOREMA	N						
DailyCosts: I	_	\$44,: \$912			npletion	\$0 \$11,270		Daily Well	Total Total	\$44,522 \$923,723	
MD	8,583	TVD	8,583	Progress	105	Days	15	MW	10.8	Visc	40.0
Formation :			PBTD:).0		Perf:			PKR De	pth: 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00		CIRCULATE BUILD VOLUME 170 BBLS (11 BBL/18% LCM @ 2240').
			TRIP IN TO 3829'.
08:00	09:00		
09:00	10:00	1.0	BREAK CIRC & SPOT LCM BELOW LOSS ZONE.
10:00	11:30	1.5	TRIP TO 5410'. TAGGED BRIDGE.
11:30	13:00	1.5	WASH/REAM FROM 5410' TO 5472', 62'.
13:00	14:00	1.0	TRIP IN TO 6141'. TAGGED BRIDGE.
14:00	15:00	1.0	WASH/REAM FROM 6141' TO 6172', 31', CIRC OUT GAS MUD CUT 10.7.
15:00	16:00	1.0	TRIP IN FROM 6172' TO 6363'. TAGGED BRIDGE.
16:00	16:30	0.5	WASH/REAM FROM 6363' TO 6394', 31'.
16:30	17:30	1.0	TRIP IN FROM 6394' TO 8265', LAY DOWN (7) JTS.
17:30	20:00		BREAK CIRC. WASH/REAM FROM 8265' TO 8377', 112'.
20:00	22:30	2.5	STOPPED TO TIGHTEN CLAMP ON ROTATING HEAD W/ KELLY IN HOLE. KELLY DOWN, NO CIRCULATION, NO ROTATION (STUCK PIPE & PACKED OFF). WORK PIPE FREE, REGAIN CIRC.
22:30	23:00	0.5	CIRC, ROTATE CLEAN HOLE. ISA ON DRILLING PRACTICES.
23:00	00:00		WASH/REAM FROM 8377' TO 8478', 110' BOTTOM.
00:00	01:00	1.0	DRILL ROTATE W/MOTOR FROM 8478' TO 8488', 10', ROP 10, WOB 10/12, RPM 45/62, GPM 402.
01:00	02:00) W/O P CHG. SWAB #1, PUMP #2 MOTOR DOWN.
02:00	06:00	4.0	DRILL ROTATE W/MOTOR FROM 8488' TO 8583', 95', ROP 23.75, WOB 18/20, RPM 55/62, GPM 402.

PU 180, SO 145, ROT 163

ACCIDENTS NONE REPORTED

SAFETY MEETING: PINCH PONTS/REAMING

CREWS FULL

FUEL ON HAND 3004 GALS, USED 1000 GALS

LITHOLOGY: SD 40%, SH 35%, SS 20%, LIME 5% GAS BG 58U, CG 110U, TG 4200U, 15/20 FLAIR

FORMATION NOT STABLE

08-24-200	6 R	eported By	D	AVID FOREMA	N/PAT CL	ARK					
DailyCosts	: Drilling	\$35,	247	Con	npletion	\$0		Daily	Total	\$35,247	
Cum Costs	: Drilling	\$947	,700	Con	npletion	\$11,270		Well	Total	\$958,971	
MD	9,275	TVD	9,275	Progress	692	Days	16	MW	11.0	Visc	38.0
Formation	MD 9,275 TVD 9,275 Progress Formation: PBTD: 0.0					Perf:			PKR De _l	oth: 0.0	
Activity at	Report Ti	ime: DRILLI	NG								
											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL ROTATE W/MOTOR 8583' TO 8837', 254', ROP 28 FPH, WOB 16/20, RPM 55/62, GPM 402.
15:00	15:30	0.5	RIG SERVICE.
15:30	06:00		DRILL 8837' – 9275', WOB 15–20K, RPM 45–55/63, SPP 1900 PSI, DP 200 PSI, ROP 30 FPH. RUNNING LCM SWEEPS, LOST <50 BBLS. CURRENT MW 11.0 PPG, VIS 39 SPQ.

SAFETY MEETING: OVERHEAD HAZARDS/MAKING CONNECTIONS

FORMATION: SEGO @ 9345'

BG GAS 5-900U, CONN GAS 110U, HIGH GAS 1150U @ 9013'

LITHOLOGY: SS 40%, SH 35%, SLT 20%, LS 5%

08-25-2006	Re	ported By	PA	T CLARK							
DailyCosts: I Cum Costs: I	•	\$34,4 \$982			npletion npletion	\$0 \$11,270		Daily Well 1		\$34,401 \$993,373	
MD	9,515	TVD	9,515	Progress	240	Days	17	MW	11.1	Visc	40.0
Formation :			PBTD : 0	.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: WO MECHANIC/SHORT TRIP

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 9275' - 9440', WOB 13-20K, RPM 50/63, SPP 1850 PSI, DP 175 PSI, ROP 17 FPH.
15:30	16:00	0.5	RIG SERVICE.
16:00	22:45	6.75	DRILL 9440' - 9515' TD. SAME PERIMETERS AS ABOVE, ROP 11 FPH. REACHED TD @ 22:45 HRS, 8/24/06.
22:45	01:00	2.25	CIRCULATE/CONDITION MUD FOR SHORT TRIP. RAISE MW TO 11.3 PPG, PUMP PILL.
01:00	03:00	2.0	WIPER TRIP/SHORT TRIP. HAD TO PUMP 2 OF FIRST 5 JOINTS OUT OF HOLE. TIH TO 8850', RIG MOTOR DOWN.
03:00	06:00	3.0	WAIT ON MECHANIC FOR RIG MOTOR. CIRCULATING AND ROTATING PIPE, RAISING MW TO 11.4 PPG.

SAFETY MEETING: OVERHEAD HAZARDS/TRIPPING PIPE

ONDI GAS 2035U HIGH GAS 3363U @ 9421'

		BG G	AS 5-900	U, CONN GAS	2935U, HI	GH GAS 3363U	@ 9421				
08-26-2006	Re	ported By	PA	T CLARK							
DailyCosts:	Drilling	\$44,888		Com	pletion	\$84,758	•	Daily	/ Total	\$129,646	
Cum Costs:	Drilling	\$1,026,	990	Com	pletion	\$96,028		Well	Total	\$1,123,019	
MD	9,515	TVD	9,515	Progress	0	Days	18	MW	11.4	Visc	42.0
Formation :	:	I	BTD : 0	.0		Perf:			PKR Dep	oth: 0.0	
Activity at 1	Report Tii	ne: RUN 4 1/2	'CASING	}							
Start	End		vity Desc								
06:00	08:15	2.25 MEC	HANIC S	HOWED UP AT	07:15 HRS	. FUEL SYSTE	M WAS	AIRED UP.			
08:15	09:15			R TRIP, NO FILI							
09:15	11:00			CONDITION TO	LD DP.						
11:00	12:00	1.0 REP	AIR MUD	HOPPER.			1011440	MINIT MIV	A NID DI IMB I	וויקרותו זווס	PIPE
12:00	23:30	11.5 SAF	ETY MEE AK KELL	TING W/LAYD Y, PULL WEAR	OWN CRE BUSHING	W. RU LAYDO' 3.	WN MAC	HINE. MIX	ANDTOMI	ILE. DO DRIE	,
23:30	06:00	P-11 COL	0 116#	ETING W/CASE LTC CASING. I 9554', 54 JTS CA	ANDED	T 9602' KB. RA	IN AS FC)LLOWS: FL	CAI SHUE,	I JI CASING, F	LUAI
08-27-200	6 R	eported By	P	AT CLARK							
DailyCosts	: Drilling	\$16,71	7	Cor	npletion	\$67,998		Dail	y Total	\$84,715	
Cum Costs		\$1,043	,707	Cor	npletion	\$164,026		Wel	l Total	\$1,207,734	
MD	9,624	TVD	9,624	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation	:		PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity at	Report Ti	ime: WO COM	PLETION	1							
Activity at Start	Report Ti	Hrs Act	ivity Des	cription							
		Hrs Act	ivity Des		TAGGED @ 9554'.	BOTTOM @ 96 THIS IS A COR	24', PU C RECTION	SG HANGE N OF YESTE	R, MANDREI RDAY'S DEP	L AND LANDIN TH.	IG JT.
Start 06:00	End 10:00	Hrs Act 4.0 FIN LAI	ivity Des	cription NING CASING. OE @ 9602', FC	: @ 9554'. ' ON MUD I	THIS IS A CORT	RECTION SAFETY	MEETING	W/SCHLUMB	ERGER, R/U S	AME.
Start	End	Hrs Act 4.0 FIN LAN 2.0 CIR 2.5 CEL LE/ D17 SX, D 1 PRI	ivity Des ISH RUNI NDED SH CULATE MENT WE AD CEME 14 + .125 I 353 BBL 67 + .1% I ESSURE 2	cription	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP	FOR CEMENT. 20 BBL MUD I . CV/FT) @ 112 + .3 G, 1.29 YLD, 5.9	SAFETY FLUSH, 2 PPG, 2.2 1% D013 16 GAL/S	MEETING V 20 BBL FRE: 6 YLD, 12.9 + .2% D065. 6K H2O, 50:5 W/149 BBLS	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA	PACER, R/U SA PACER, MIX AN 1/65 POZ G + 6% JMP TAIL CEM 6 D 020 + .2% E LL PER 1,000 LC	AME. ND PUMP ND020 + .2% ENT (1535) 065 + .2% 164. MAX
06:00 10:00 12:00	End 10:00 12:00 14:30	Hrs Act 4.0 FIN LAN 2.0 CIR 2.5 CEI LE/ D17 SX, D 1 PRI BB	IVITY DES ISH RUNI NDED SHO CULATE MENT WE AD CEME 4 + .125 I 353 BBL 67 + .1% I ESSURE 2 L. RD CEI	NING CASING. OE @ 9602', FC AND CONDITION ELL AS FOLLOV INT (400 SX, 16 LD/SK D 130 + . S, 1980 CU/FT) D 046 + .1% D 0 2333 PSI. BUMP MENTERS.	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP 13. WASH PLUG TO	FOR CEMENT. 20 BBL MUD II 4 CU/FT) @ 1275% D112 + .3 G, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .2% ENT (1535) 065 + .2% 164. MAX
06:00 10:00 12:00	End 10:00 12:00 14:30	Hrs Act 4.0 FIN LAI 2.0 CIR 2.5 CEE LEA DIT SXX, D I PRI BB	ivity Des ISH RUNI NDED SHO CULATE MENT WE AD CEME 14 + .125 I 353 BBL 67 + .1% I ESSURE 2 L. RD CEI	CETIPTION NING CASING. OE @ 9602', FC AND CONDITION ELL AS FOLLOV ENT (400 SX, 16 LD/SK D 130 + S, 1980 CU/FT) D 046 + .1% D 0 2333 PSI. BUMP	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP0 I3. WASH PLUG TO	FOR CEMENT. 20 BBL MUD II 4 CU/FT) @ 1275% D112 + .3 G, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .2% ENT (1535) 065 + .2% 164. MAX
06:00 10:00 12:00	End 10:00 12:00 14:30	Hrs Act 4.0 FIN LAI 2.0 CIR 2.5 CEE LEA DIT SXX, D I PRI BB	ivity Des ISH RUNI NDED SHO CULATE MENT WE AD CEME (4 + .125 I 353 BBL (67 + .1% I ESSURE 2 L. RD CEI ND CASII BOPE. C	CERPTION NING CASING. OE @ 9602', FC AND CONDITION ELL AS FOLLOV INT (400 SX, 16 LD/SK D 130 + . S, 1980 CU/FT) D 046 + .1% D 0 2333 PSI. BUMP MENTERS. NG HANGER. T	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP0 I3. WASH PLUG TO	FOR CEMENT. 20 BBL MUD II 4 CU/FT) @ 1275% D112 + .3 G, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .29 ENT (1535 065 + .2% 164. MAX
06:00 10:00 12:00 14:30 15:00	End 10:00 12:00 14:30 15:00 18:00	4.0 FIN LAN 2.0 CIR 2.5 CEI LEA DIT SX, DI PRI BB 0.5 LA 3.0 ND 12.0 RD	ivity Des ISH RUNI NDED SHO CULATE MENT WE AD CEME 14 + .125 I 353 BBL 67 + .1% I ESSURE 2 L. RD CEI ND CASII BOPE. C	NING CASING. OE @ 9602', FC AND CONDITION OF THE CONDITI	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP0 I3. WASH PLUG TO	FOR CEMENT. 20 BBL MUD II 4 CU/FT) @ 1275% D112 + .3 G, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .29 ENT (1535) 065 + .2%
06:00 10:00 12:00 14:30 15:00	End 10:00 12:00 14:30 15:00 18:00	Hrs Act 4.0 FIN LAI 2.0 CIR 2.5 CEE LEA DIT SXA, D I PRI BB 0.5 LA 3.0 ND 12.0 RD	ivity Des ISH RUNI NDED SHO CULATE MENT WE AD CEME 14 + .125 I 353 BBL 67 + .1% I SSSURE 2 L. RD CEI ND CASII BOPE. C RT.	CERPTION NING CASING. OE @ 9602', FC AND CONDITION ELL AS FOLLOV INT (400 SX, 16 LD/SK D 130 + . S, 1980 CU/FT) D 046 + .1% D 0 2333 PSI. BUMP MENTERS. NG HANGER. T	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP I3. WASH PLUG TO ORQUE L NKS.	FOR CEMENT. 1 20 BBL MUD I 4 CU/FT) @ 1275% D112 + .3 3, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .29 ENT (1535) 065 + .2%
06:00 10:00 12:00 14:30 15:00	End 10:00 12:00 14:30 15:00 18:00	Hrs Act 4.0 FIN LAI 2.0 CIR 2.5 CEI LEA DIT SX, DII PRI BB 0.5 LA 3.0 ND 12.0 RD	ivity Des ISH RUNI NDED SHO CULATE MENT WE AD CEME 14 + .125 I 353 BBL 67 + .1% I SSSURE 2 L. RD CEI ND CASII BOPE. C RT.	CERPTION NING CASING. OE @ 9602', FC AND CONDITION ELL AS FOLLOV ELL AS FOLLOV ELL AS FOLLOV OLY AS D 130 + . S, 1980 CU/FT) D 046 + .1% D 0 3333 PSI. BUMP MENTERS. NG HANGER. T LEAN MUD TA FRUCKING @ 0 W TO MOVE RICE OF MOV	ON MUD I WS: PUMP I BBLS, 90 2% D046 + @ 14.1 PP I3. WASH PLUG TO ORQUE L NKS.	FOR CEMENT. 1 20 BBL MUD I 4 CU/FT) @ 1275% D112 + .3 3, 1.29 YLD, 5.9 UP TO PIT, DIS 3120 PSI. FLO	SAFETY FLUSH, 2 PPG, 2.2 W D013 6 GAL/S PLACE V	MEETING V 20 BBL FRES 6 YLD, 12.9 + .2% D065. K H2O, 50:5 W/149 BBLS 0, FULL RET	W/SCHLUMB SH WATER SE GPS H2O, 35, MIX AND PU 0 POZ G + 2% H2O W/2 GA URNS THRO	PACER, R/U S. PACER, MIX AN PAGE G + 6% JMP TAIL CEM 6 D 020 + .2% E L PER 1,000 LC UGHOUT, BLE	AME. ND PUMP ND020 + .2% ENT (1535) 065 + .2% 164. MAX

2500 GALS DIESEL @ 3.393/GALS

06:00

18.0 RIG RELEASED @ 18:00 HRS, 8/26/06. CASING POINT COST \$1,035,262

09-01-20	006 R	eported l	By M	CCURDY							
DailyCos	ts: Drilling	\$	0	Com	pletion	\$19,490		Daily	Total	\$19,490	
•	ts: Drilling	\$	1,043,707	Con	pletion	\$183,516		Well	Total	\$1,227,224	
MD	9,624	TVD	9,624	Progress	0	Days	20	MW	0.0	Visc	0.0
Formatio	n: MESAVE	ERDE	PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity a	it Report Ti	ime: PRE	P FOR FRAC								
Start	End	Hrs	Activity Desc	-							
14:00	15:00	1.0	8/28/06: RU SO SCHLUMBER	CHLUMBERGE GER. NU 10M F	R. RAN RS FRAC TRE	ST/CBL/VDL/GI E. PRESSURE T	CCL FI	ROM PBTD TO FRAC TREE &	O 1000'. CE & CASING 7	MENT TOP @ TO 8500 PSIG. I	1320'. RD PREP FOR

09-12-2006	Re	ported	By 1	MCCURDY							
DailyCosts: Dri			\$0 \$1,043,707		npletion npletion	\$25,634 \$209,151		Daily Well 7		\$25,634 \$1,252,859	
MD 9	,624	TVD	9,624	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation : MI	ESAVE	RDE	PBTD:	0.0		Perf: 7686-9	9197		PKR De _l	oth: 0.0	

Activity at Report Time: FRAC UPR

Start End Hrs Activity Description

FRAC.

06:00 18:30

12.5 RU CUTTERS WIRELINE. PERFORATED LPR FROM 8955'-56', 8976'-77', 8995'-96', 9004'-05', 9024'-25', 9045'-46', 9084'-85', 9113'-14', 9128'-29', 9143'-44', 9166'-67', 9179'-80' & 9195'-97' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4974 GAL YF125ST+ PAD, 43158 GAL YF125ST+ & YF118ST+ WITH 130300# 20/40 SAND @ 1-6 PPG. MTP 6983 PSIG. MTR 51.7 BPM. ATP 5779 PSIG. ATR 50.2 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8900'. PERFORATED MPR FROM 8704'-05', 8723'-24', 8742'-43', 8749'-50', 8765'-66', 8778'-79', 8794'-95', 8810'-11', 8825'-27', 8842'-44', 8860'-61' & 8877'-78' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4945 GAL YF125ST+ PAD, 51083 GAL YF125ST+ & YF118ST+ WITH 170000# 20/40 SAND @ 1-6 PPG. MTP 7270 PSIG. MTR 50.2 BPM. ATP 5854 PSIG. ATR 48.8 BPM. ISIP 3550 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8665'. PERFORATED MPR FROM 8424'-25', 8440'-41', 8462'-63', 8484'-85', 8509'-10', 8538'-40', 8558'-59', 8622'-24' & 8637'-39' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4940 GAL YF125ST+ PAD, 63268 GAL YF125ST+ & YF118ST+ WITH 236900# 20/40 SAND @ 1-6 PPG. MTP 7728 PSIG. MTR 50.3 BPM. ATP 5616 PSIG. ATR 48.9 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8400'. PERFORATED MPR FROM 8221'-22', 8237'-38', 8253'-54', 8269'-70', 8280'-81', 8293'-94', 8304'-05', 8312'-13', 8322'-24', 8334'-35', 8347'-48' & 8368'-70' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4961 GAL YF123ST+ PAD, 64255 GAL YF123ST+ & YF118ST+ WITH 237500# 20/40 SAND @ 1-6 PPG. MTP 7436 PSIG. MTR 50.4 BPM. ATP 5173 PSIG. ATR 49.7 BPM. ISIP 2570 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8198'. PERFORATED UPR/MPR FROM 8032'-33', 8041'-42', 8085'-86', 8091'-92', 8102'-03', 8109'-10', 8115'-16', 8125'-26', 8150'-52', 8170'-72' & 8178'-80' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4944 GAL YF123ST+ PAD, 54612 GAL YF123ST+ & YF118ST+ WITH 191700# 20/40 SAND @ 1-6 PPG. MTP 7853 PSIG. MTR 50.3 BPM. ATP 5489 PSIG. ATR 49.3 BPM. ISIP 3400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7970'. PERFORATED UPR FROM 7686'-88', 7716'-18', 7764'-65', 7784'-85', 7809'-10', 7820'-22', 7872'-73' & 7929'-31' @ 3 SPF & 120° PHASING. RDWL. SDFN.

09-13-2006	Re	ported	Ву	MCCURDY,HI	SLOP						
DailyCosts: Drilling \$0				C	ompletion	\$395,761		Daily	Total	\$395,761	
Cum Costs: Drilling \$1,043,70		\$1,043,707	Completion		\$604,913	Well Total \$1,648,6		\$1,648,620			
MD 9	,624	TVD	9,62	4 Progress	0	Days	22	MW	0.0	Visc	0.0
Formation : M	ESAVE	RDE	PBTD	: 0.0		Perf: 7258-	9197		PKR De	pth: 0.0	

Activity at Report Time: CLEAN OUT AFTER FRAC

Start End Hrs Activity Description

15:00

06:00

9.0 SICP 1965 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4954 GAL YF123ST+ PAD, 41960GAL YF123ST+ & YF118ST+ WITH 129900# 20/40 SAND @ 1-6 PPG. MTP 6644 PSIG. MTR 50.3 BPM. ATP 5011 PSIG. ATR 49.2 BPM. ISIP 2630 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7660'. PERFORATED UPR FROM 7443'-44', 7459'-60', 7472'-73', 7483'-84', 7497'-98', 7535'-36', 7551'-52', 7558'-59', 7586'-87', 7594'-95', 7611'-13', 7635'-36' & 7643'-44' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4957 GAL YF123ST+ PAD, 54515 GAL YF123ST+ & YF118ST+ WITH 190800# 20/40 SAND @ 1-6 PPG. MTP 5984 PSIG. MTR 50.3 BPM. ATP 4640 PSIG. ATR 49.9 BPM. ISIP 2420 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7415'. PERFORATED UPR FROM 7258'-59', 7264'-66', 7319'-20', 7326'-27', 7333'-35', 7377'-78', 7383'-85' & 7392'-94' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4948 GAL YF123ST+ PAD, 42680 GAL YF123ST+ & YF118ST+ WITH 130060# 20/40 SAND @ 1-6 PPG. MTP 5947 PSIG. MTR 50.3 BPM. ATP 4703 PSIG. ATR 49.8 BPM. ISIP 2730 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7230'. BLED OFF PRESSURE. RDWL. MIRUSU. ND FRAC VALVE. NU BOPE. SDFN.

09-14-200)6 R	eported B	y HI	SLOP							
DailyCosts	s: Drilling	\$0			Completion	\$23,824		Daily '	Total	\$23,824	
Cum Costs	s: Drilling	\$1	,043,707		Completion	\$628,737		Well T	otal	\$1,672,444	
MD	9,624	TVD	9,624	Progres	s 0	Days	23	MW	0.0	Visc	0.0
Formation	: MESAVE	RDE	PBTD : 0	0		Perf: 7258-	9197		PKR Dep	pth: 0.0	
Activity at	Report Ti	me: CLEA	N OUT AFTER	RFRAC							
Start	End	Hrs	Activity Desc	ription							
06:00	15:00	9.0	SITP 0 PSIG. S	ICP 0 PSIC	G. RIH W/3-7/8	MILL TOOTH	BIT & P	UMP OFF BIT	SUB TO CI	BP. SDFN.	
09-15-200	06 R	eported B	y HI	SLOP							
DailyCosts	s: Drilling	\$0)		Completion	\$66,143		Daily '	Total	\$66,143	
Cum Costs	s: Drilling	\$1	,043,707		Completion	\$694,880		Well 7	otal	\$1,738,587	
MD	9,624	TVD	9,624	Progres	is 0	Days	24	MW	0.0	Visc	0.0
Formation	ı: MESAVE	ERDE	PBTD : 9	524.0		Perf: 7258-	9197		PKR De	pth: 0.0	
Activity at	t Report Ti	ime: FLO	W TESTING								
Start	End	Hrs	Activity Desc	ription							
06:00	06:00	24.0	SITP 0 PSIG. S 8665' & 8900'. SUB. RDMOSI	CLEANEI	G. CLEANED C O OUT TO 9318	UT & DRILLE ''. LANDED TU	D OUT PI IBING @	LUGS @ 7230' 7252' KB. ND	, 7415', 766 BOP. NU T	50°, 7970°, 8198°, REE. PUMPED (8400', OFF BI

DailyCosts: Drilling

Cum Costs: Drilling

MD

9,624

TVD

\$1,043,707

9,624

FLOWED 16 HRS ON 16/64" CHOKE. FTP 1550 PSIG. CP 1800 PSIG. 43 BFPH. RECOVERED 818 BLW. 9882 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'

1 JT 2-3/8" 4.7# L80 TBG 31.42'

XN NIPPLE 1.10'

230 JTS 2-3/8" 4.7# L80 TBG 7198.42'

BELOW KB 20.00'

09-16-2006 R			7251.85' KB			~				
	eported By	HI	SLOP							
DailyCosts: Drilling	\$0		Cor	npletion	\$4,460		Daily	Total	\$4,460	
Cum Costs: Drilling	\$1,043	3,707	Cor	npletion	\$699,340		Well 7	Total	\$1,743,048	
MD 9,624	TVD	9,624	Progress	0	Days	25	MW	0.0	Visc	0.0
Formation : MESAVE	ERDE	PBTD : 9	524.0		Perf: 7258-9	9197		PKR De _l	pth : 0.0	
Activity at Report Ti	ime: FLOW TI	ESTING								
Start End	Hrs Act	tivity Desc	ription							
06:00 06:00	24.0 FLC	OWED 24 H	RS. 16/64" CH	OKE. FTP	600 PSIG. CP 2	400 PSIC	i. 34 BFPH. R	ECOVERED	935 BLW. 8947	BLWTF
09-17-2006 R	Reported By	H	ISLOP							
DailyCosts: Drilling	\$0		Cor	mpletion	\$4,460		Daily	Total	\$4,460	
Cum Costs: Drilling		3,707	Con	mpletion	\$703,801		Well 1	Total .	\$1,747,509	
MD 9,624	TVD	9,624	Progress	0	Days	26	MW	0.0	Visc	0.0
Formation : MESAV	ERDE	PBTD : 9	524.0		Perf: 7258-9	9197		PKR De	pth: 0.0	
Activity at Report T	ime: FLOW T	ESTING								
Start End	Hrs Act	tivity Desc	ription							
06:00 06:00		OWED 24 H	IRS ON 16/64"	CHOKE F		D 2050 D	SIG 30 REPH	. RECOVER	CD 740 DDI C C	
	BL\	WTR. TRAC	CE CONDENS		TP 1850 PSIG. C	.P 3030 F	31G. 30 DI 11.		(ED /40 BBLS. (3207
09-18-2006 R	BL\ Reported By				TP 1850 PSIG. C	.F 3030 F			(ED /40 BBLS. 6	3207
	Reported By		CE CONDENS/		\$2,575	.r 3030 r	Daily		\$2,575	3207
DailyCosts: Drilling	Reported By	Н	CE CONDENSA ISLOP Con	ATE.		.P 3030 P		Total		3207
DailyCosts: Drilling Cum Costs: Drilling	Reported By	Н	CE CONDENSA ISLOP Con	ATE.	\$2,575	27	Daily	Total	\$2,575	0.0
DailyCosts: Drilling Cum Costs: Drilling MD 9,624	Reported By \$0 \$1,045 TVD	H 3,707	CE CONDENSA ISLOP Con Con Progress	MTE. mpletion mpletion	\$2,575 \$706,376	27	Daily Well	Total Total	\$2,575 \$1,750,084 Visc	
DailyCosts: Drilling Cum Costs: Drilling MD 9,624 Formation: MESAV	Reported By \$0 \$1,04 TVD ERDE	H 3,707 9,624 PBTD: 9	CE CONDENSA ISLOP Con Progress 2524.0	MTE. mpletion mpletion	\$2,575 \$706,376 Days	27	Daily Well	Total Fotal 0.0	\$2,575 \$1,750,084 Visc	
DailyCosts: Drilling Cum Costs: Drilling MD 9,624 Formation : MESAV Activity at Report T	Reported By \$0 \$1,04 TVD ERDE Time: SI – WO	H 3,707 9,624 PBTD: 9	CE CONDENSA ISLOP Con Progress 9524.0	MTE. mpletion mpletion	\$2,575 \$706,376 Days	27	Daily Well	Total Fotal 0.0	\$2,575 \$1,750,084 Visc	
DailyCosts: Drilling Cum Costs: Drilling MD 9,624 Formation : MESAV Activity at Report T	Reported By \$ \$0 \$ \$1,04 TVD ERDE Time: SI – WO Hrs Ac 24.0 FL0	3,707 9,624 PBTD: 9 FACILITIE tivity Desc	CE CONDENS/ ISLOP Con Progress 9524.0 ES cription	mpletion mpletion 0 CHOKE. F	\$2,575 \$706,376 Days Perf : 7258-	27 9197	Daily Well '	Total Fotal 0.0 PKR De	\$2,575 \$1,750,084 Visc	0.0
DailyCosts: Drilling Cum Costs: Drilling MD 9,624 Formation: MESAV Activity at Report T Start End	Reported By \$ \$0 \$ \$1,04 TVD ERDE Time: SI – WO Hrs Ac 24.0 FLC BL	9,624 PBTD: 9 FACILITIE tivity Desc	CE CONDENS/ ISLOP Con Progress 9524.0 SS cription HRS ON 16/64"	mpletion mpletion 0 CHOKE. F	\$2,575 \$706,376 Days Perf : 7258-	27 9197	Daily Well '	Total Fotal 0.0 PKR De	\$2,575 \$1,750,084 Visc pth : 0.0	0.0

\$0

Days

Page 17

\$706,376

28

Completion

Completion

Progress

Daily Total

Well Total

 $\mathbf{M}\mathbf{W}$

0.0

\$0

Visc

\$1,750,084

0.0

Formation: MESAVERDE

PBTD: 9524.0

Perf: 7258-9197

PKR Depth: 0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs **Activity Description**

06:00 06:00

24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 2400 PSIG & CP 3100 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:00 HRS, 10/5/06. FLOWED 0 MCFD RATE ON 10/64" CHOKE.

ROBERT WILKINS Reported By 10-09-2006 **Daily Total** \$0 \$0 Completion DailyCosts: Drilling \$0 Well Total \$1,750,084 Completion \$706,376 **Cum Costs: Drilling** \$1,043,707 0.0 Visc 29 MW9,624 TVD 9,624 **Progress** Days MD

Formation: MESAVERDE

PBTD: 9524.0

Perf: 7258-9197

PKR Depth: 0.0

Activity at Report Time: ON SALES

End

Start

06:00

Activity Description Hrs

06:00

24.0 10/7/06 FLOWED 423 MCF, 20 BO & 188 BW IN 24 HRS ON 10/64" CH, TP 2050 PSIG, CP 3050 PSIG.

10/8/06 FLOWED 546 MCF, 41 BO & 200 BW IN 24 HRS ON 10/64" CH, TP 2100 PSIG, CP 3000 PSIG.

10/9/06 FLOWED 591 MCF, 69 BO & 165 BW IN 24 HRS ON 10/64" CH, TP 2000 PSIG, CP 3000 PSIG.

10-10-2006	Reported	By A	LAN WATKINS							
DailyCosts: Drillin	ıg	\$0	Com	pletion	\$0		Daily 7	Fotal	\$0	
Cum Costs: Drillin	ıg	\$1,043,707	Com	pletion	\$706,376		Well T	otal	\$1,750,084	
MD 9,624	TVD	9,624	Progress	0	Days	30	MW	0.0	Visc	0.0
Formation : MESA	VERDE	PBTD:	524.0		Perf: 7258-9	197		PKR Dep	oth: 0.0	
Activity at Report	Time: ON	SALES								
Start End	Hrs	Activity Desc	ription							
06:00 06:00	24.	0 FLOWED 571	MCF, 61 BO & 1	80 BW IN	24 HRS ON 12/	64" CH,	TP 2100 PSIG,	CP 2850 PS	SIG.	
10-11-2006	Reported	By R	OGER DART							
DailyCosts: Drillin	ng	\$0	Com	pletion	\$0		Daily '	Total	\$0	
Cum Costs: Drilli		\$1,043,707	Com	pletion	\$706,376		Well T	otal	\$1,750,084	
MD 9,624	-	9,624	Progress	0	Days	31	MW	0.0	Visc	0.0
Formation : MESA	VERDE	PBTD:	9524.0		Perf: 7258-9	9197		PKR De	pth : 0.0	
Activity at Report		SALES								
Start End	Hrs	Activity Des	cription							
06:00 06:0	24	.0 FLOWED 734	MCF, 55 BO & 2	248 BW IN	24 HRS ON 12	/64" CH,	TP 200 PSIG,	CP 2800 PS	IG.	
10-12-2006	Reported	l By R	OGER DART			_				
DailyCosts: Drilli	ng	\$0	Con	pletion	\$0		Daily	Total	\$0	
Cum Costs: Drilli	-	\$1,043,707	Con	pletion	\$706,376		Well 7	Total	\$1,750,084	
MD 9,62	_	9,624	Progress	0	Days	32	MW	0.0	Visc	0.0
Formation : MESA		PBTD:	9524.0		Perf: 7258-	9197		PKR De	pth: 0.0	
Activity at Report										
Start End	Hrs	Activity Des	cription							
06:00 06:0		.0 FLOWED 635		342 BW П	N 24 HRS ON 12	/64" CH,	TP 2000 PSIG	, CP 2750 P	SIG.	

Form 3160-4 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMBNO. 1004-0137

			1	BURI	EAU O	F LAND N	AANA	GEMENT						Expires: Mar	
	WEL	L CO	MPLE.	TION	OR	RECOMPL	ETIC	N REPOR	RT AN	D LOG		- 5	5. Lea	se Serial No.	
a. Type o	ewan F	Oal	Well [/ Gas	Wall	Dry 🗆	Other	,				+			or Tribe Name
	f Completic		Weii []			Work Over		epen Pl	ug Back	Diff.	Resvr, .				
•	•		Other									7		or CA Agree apita Wells	ment Name and No. Unit
2. Name	of Operator	EOG	Resour	ces, I	nc.							8		se Name and \	Well No. Unit 1059-14
3. Addres	S 600 17t	h Stra	ot Suita	10002	V Denv	er, CO 80202		3a. Ph	one No.	(include ar	ea code)	9		Well No.	OHR 1037-14
	- 000 171	ıı su c	eu suite	10001	1, Deur			3	03-824-	5526				047-36967	
4. Location	on of Well ((Report	location o	clearly	and in a	cco <mark>rdance</mark> witi	h Fede	ral requireme	11s)*			10		d and Pool, or	Exploratory /Mesaverde
At surf	face 67	79' FSI	. & 1945	' FEL	(SW/S	E) 40.03055	LAT	109.404733	LON			-			
A+ +am	prod. interv				•	_,						11	I. Sec. Sur	., T., R., M., or vey or Area S	n Block and Sec. 14-T9S-R22E
Aitop	prod. micry	at repo	iled ociov	* 5ai	me							12		inty or Parish	13. State
At tota	l depth S	ame												ah County	UT
14. Date S			15.		T.D. Read 24/2006	ched		16. Date (•		/2006			vations (DF, R 4' NAT GL	RKB, RT, GL)*
	//2006	D 0.40		U8/2	1	N D. d. T.D	. 141		k A	✓ Ready 20. Dep				ID	
18. Total l	•	D 962 √D	24		19.	Plug Back T.D	.: MI TV			20. Dep	ui bridg	e riug se		VD	
				17		1 - 2				22 1/2-	11	40 T./	No I		mit analysis)
				ai Log	Kun (S	ubmit copy of	eacn)			1	well co		No		mit report)
RST/	CBL/VDL	./GR/C	CL							Dire	ctional S		√N.	Yes (S	Submit copy)
23. Casin	g and Line	r Reco	rd (Rep	ort all	strings	set in well)	10.			2.21	T				
Hole Size	Size/Grad	de V	Vt. (#/ft.)	To	p (MD)	Bottom (M	D) St	age Cementer Depth		of Sks. & of Cement	Sluri (E	y Vol. BBL)	Cem	ent Top*	Amount Pulled
12-1/4"	9-5/8"	3	6.0#	J-:	55	0-2263	1	345 sx							
7-7/8"	4-1/2"	1	1.6#	P-	110	0-9602	1	1935 sx	ļ						
				ļ			+		<u> </u>		 				
		+		-		-			 		├			· · · · · · · · · · · · · · · · · · ·	
		+							 		+				
24 Tubin	g Record			1				•			1				
Size		Set (M	D) Pack	er Dep	th (MD)	Size	D	epth Set (MD)	Packer	Depth (MI	D)	Size	Del	oth Set (MD)	Packer Depth (MD)
2-3/8"	7252								<u> </u>	1	<u>.l</u>				
25. Produc	ring Interva			Т	`op	Bottom	- 	 Perforated 			Size	No. I	Holes	1 1	Perf. Status
A) Mesa	verde	•		725		9197	8	955-9197	11101 141		0120	2/spf		<u> </u>	
B)		····					\rightarrow	704-8878				2/spf			
<u>()</u>							8	424-8639		<u> </u>		3/spf			
D)							8	221-8370				2/spf			
	Fracture, Tr Depth Interv		t, Cement	Squee	ze, etc.				Amount	and Type of	Materia	<u>.</u>			
8955-91		741		48,2	97 GAI	S GELLED	WAT	ER & 130,30				<u></u>			
8704-88				56,1	93 GAI	S GELLED	WAT	ER & 170,00	0# 20/40	0 SAND					
8424-86								ER & 236.90							
8221-83	70 action - Inte	mial A		69,3	81 GAI	S GELLED	WAT	ER & 237,50	0# 20/40	SAND					
28. Produ	Test	Hours	Test		Oil BBL	Gas MCF	Water	Oil Gr	ivity	Gas		Production	Method		
Produced 10/05/2006	Date 10/09/2006	Tested 24	Produ	action	BBL 69	MCF 591	BBL 165	Corr. A	AP1	Gravi	y	FLOWS	FROM V	VELL	
Choke	Tbg. Press.	Csg.	24 Hs		Oil	Gas	Water	Gas/Oi	1	Well S	tatus				
Size	Flwg. SI 2000	Press. 3000	Rate		BBL	MCF	BBL	Ratio				PRODUC	CING GA	S WELL	
28a Prod	uction - Inte	L				1	<u> </u>								
Date First	Test	Hours	Test	464	Oil	Gas	Water	Oil Gr	vity	Gas		Production	Method		
Produced	Date	Tested	Produ	CTION	BBL	MCF	BBL	Corr. A	u'i	Gravity					
Choke	Tbg. Press.	Csg.	24 Hr		Oil	Gas	Water	Gas/Oi		Well St	atus				-::/FD
Size	Flwg. Sl	Press.	Rate	_	BBL	MCF	BBL	Ratio						RE	CEINER
*(See in:	structions a	nd spac	es for add	ditiona	l data on	page 2)	L							,	CEIVED EC 0 1 2006
,		•	•											D	EC U I ZUUU

8b. Produ	ction - Inte	rval C								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	<u> </u>	
8c. Prod	uction - Inte	erval D								
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	and the second
'hoke ize	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
9. Disp		Gas <i>(Sold</i> , 1	used for fuel	vented, e	tc.)					
		rous Zones	(Include Aq	uifers):				31 Format	tion (Log) Markers	
Shov tests	v all impor	tant zones	of porosity	and conte	nts thereof: d, time tool o	Cored intervopen, flowing	als and all drill-ste and shut-in pressur	m	uon (E.S.)	
Form	nation	Тор	Bottom		Desc	criptions, Con	tents, etc.		Name	Top Meas. Depth
			9197 de plugging p	procedure)	:			Middle	n Wells anyon	4813 4393 6047 6841 7236 8076 8882 9370
□ E	lectrical/Me undry Notic	echanical I the for plugg	ogs (1 full s	et req'd.) nent verific	cation	n the appropri Geologic Repo Core Analysis complete and	Ort DST Repo		lable records (see attached inst	ructions)*

Chapita Wells Unit 1059-14 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8032-8180	2/spf
7686-7931	3/spf
7443-7644	2/spf
7258-7394	3/spf

27. ACID. FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8032-8180	59,721 GALS GELLED WATER & 191,700# 20/40 SAND
7686-7931	47,079 GALS GELLED WATER & 129,900# 20/40 SAND
7443-7644	59,637 GALS GELLED WATER & 190,800# 20/40 SAND
7258-7394	47,793 GALS GELLED WATER & 130,060# 20/40 SAND

Perforated the Lower Price River from 8955-8956', 8976-8977', 8995-8996', 9004-9005', 9024-9025', 9045-9046', 9084-9085', 9113-9114', 9128-9129', 9143-9144', 9166-9167', 9179-9180' & 9195-9197' w/ 2 spf.

Perforated the Middle Price River from 8704-8705', 8723-8724', 8742-8743', 8749-8750', 8765-8766', 8778-8779', 8794-8795', 8810-8811', 8825-8827', 8842-8844', 8860-8861' & 8877-8878' w/ 2 spf.

Perforated the Middle Price River from 8424-8425', 8440-8441', 8462-8463', 8484-8485', 8509-8510', 8538-8540', 8558-8559', 8622-8624' & 8637-8639' w/ 3 spf.

Perforated the Middle Price River from 8221-8222', 8237-8238', 8253-8254', 8269-8270', 8280-8281', 8293-8294', 8304-8305', 8312-8313', 8322-8324', 8334-8335', 8347-8348' & 8368-8370' w/ 2 spf.

Perforated the Upper/Middle Price River from 8032-8033', 8041-8042', 8085-8086', 8091-8092', 8102-8103', 8109-8110', 8115-8116', 8125-8126', 8150-8152', 8170-8172' & 8178-8180' w/ 2 spf.

Perforated the Upper Price River from 7686-7688', 7716-7718', 7764-7765', 7784-7785', 7809-7810', 7820-7822', 7872-7873' & 7929-7931' w/ 3 spf.

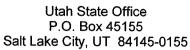
Perforated the Upper Price River from 7443-7444', 7459-7460', 7472-7473', 7483-7484', 7497-7498', 7535-7536', 7551-7552', 7558-7559', 7586-7587', 7594-7595', 7611-7613', 7635-7636' & 7643-7644' w/ 2 spf.

Perforated the Upper Price River from 7258-7259', 7264-7266', 7319-7320', 7326-7327', 7333-7335', 7377-7378', 7383-7385' & 7392-7394' w/ 3 spf.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT





IN REPLY REFER TO 3180 UT-922

November 20, 2007

EOG Resources, Inc. Attn: Debbie Spéars 600 Seventeenth Street, Suite 100N Denver, Colorado 80202

Re:

Initial Consolidated Mesaverde

Formation PA "A-N,P,T" Chapita Wells Unit Uintah County, Utah

Gentlemen:

The initial Consolidated Mesaverde Formation PA "A-N,P,T" Chapita Wells Unit, CRS No. UTU63013AN, AFS No. 892000905AN, is hereby approved effective as of October 1, 2006, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Mesaverde Formation Participating Area "A-N,P,T" results in an Initial Participating Area of 10,631.61 acres and is based upon the completion of the following wells capable of producing unitized substances in paying quantities:

WELL NO.	API NO.	LOCATION	LEASE NO.
1037-13	43-047-36954	NE1/4SE1/4,13-9S-22E	UTU0282
1055-13	43-047-36952	SW1/4NE1/4, 13-9S-22E	UTU282
1061-14	43-047-37370	NE14NW14, 14-9S-22E	UTU0282
1059-14	43-047-36967	SW1/4SE1/4, 14-9S-22E	UTU0282
1064-24	43-047-37042	SW1/4NE1/4, 24-9S-22E	UTU0282

=13650 OK

RECEIVED

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Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-N,P,T", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ David Mermejo

for Becky J. Hammond Chief, Branch of Fluid Minerals

Enclosure

bcc: Division of Oil, Gas & Mining

SITLA

Chapita Wells Unit w/enclosure

MMS - Data Management Division (Attn: Leona Reilly)

Field Manager - Vernal w/enclosure

Fluids - Judy Fluids - Mickey Agr. Sec. Chron. Reading File Central Files

CSeare:cs: (10/20/2007)Init Consol CWU "A-N,P,T"